

# Welcome

*The webinar will begin momentarily.*



# The Building Blocks of Financial Advocacy

**An IASB Webinar**

Sept. 24, Noon–1 p.m.



# Meet the Presenters



**Michelle Johnson**

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**Tracy Ozzello**

*Board Member, Council Bluffs  
Community Schools*



# Goals for Today

- How to start and maintain a relationship with your relationship
- What to do during the legislative session
- What to do during the interim
- How to get involved through IASB
- Answer your advocacy questions

# Starting a Legislator Relationship



# Effective and Easy Steps

- Find your legislators:  
[www.legis.iowa.gov/legislators/find](http://www.legis.iowa.gov/legislators/find)
- Send an introduction email
- Sign up for newsletters
- Attend a local forum
- Follow on social media



# Maintaining a Legislator Relationship





# Putting in the Work



- Invite them for a school visit or to a board meeting
- Call or email if an important issue comes up
- Share positive news from your district
- Collaborate with other districts



# Legislative Session vs. Interim



## Legislative Session

- Specific issues and bills
- Less time with your legislator so be concise
- Explain the impact on your district and students
- Timely advocacy – things move fast!

## Interim

- Advocate for your district's priorities
- Get to know your legislator's education priorities
- Offer to be a resource and provide information, like updates on new programs

# What if I'm a candidate?

- Perfect time to start or continue a legislator relationship
- Why you decided to run for the board
- Share your priorities should you get elected



# Advocacy with IASB



# Advocacy Opportunities



- Day on the Hill – partner with SAI and AEAs
  - Jan. 26
- Action Requests
- Specific outreach
- Delegate Assembly
  - Approve IASB Legislative Platform

# Board Member Insight



# Advocacy Tips from a Board Member



**Tracy Ozzello**

*Board Member, Council Bluffs Community Schools*



- Visit the Advocacy Center on our website
  - [www.ia-sb.org/advocacy](http://www.ia-sb.org/advocacy)
  - Advocacy 101
  - Issue Toolkits
  - Weekly updates during legislative session



# Always Remember...

- Be civil
- Thank legislators for their time
- Our ultimate goal: student success in all districts



Communicate

Defend

Advocate

# Property Tax and Advocacy





- Local property taxes are the most stable and predictable form of revenue for school districts.
- Allows local control.
- Relying solely on state aid or the legislature reduces flexibility.



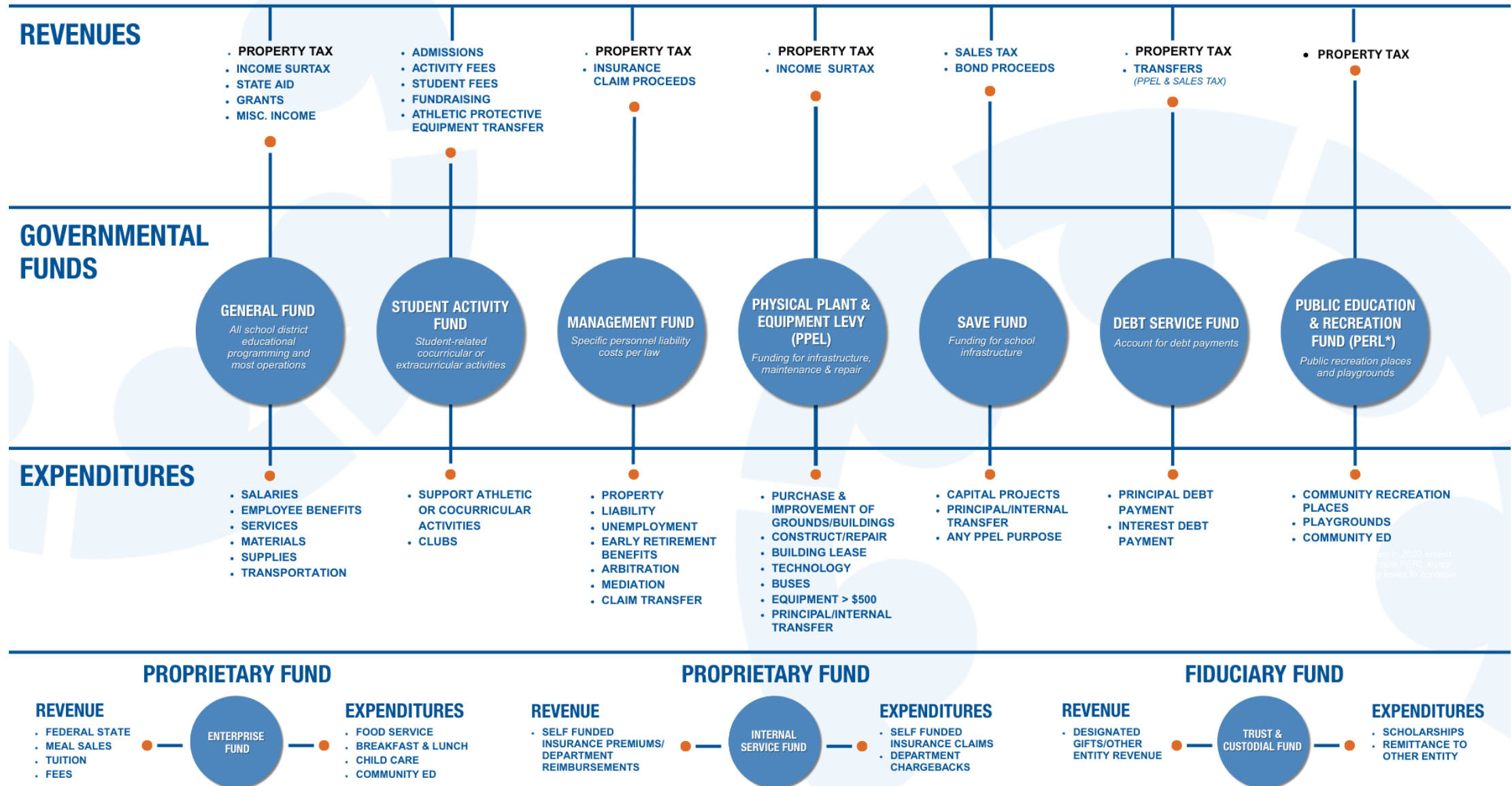
# The school board plays an important role



- Adopting an annual certified budget that sets the maximum levy rates.
- Planning for long-term needs.
- Clearly communicating to your community what this means for their tax bill.

Lots of different funds, BUT Dillon's Rule – these funds are separate – can't mix

## IOWA ASSOCIATION OF SCHOOL BOARDS: FUND SUMMARY





## Property Taxes

```
graph LR; PT([Property Taxes]) --- GF[General Fund]; PT --- DSF[Debt Service Fund]; PT --- PPEL[Physical Plant and Equipment Levy (PPEL) Fund]; PT --- MF[Management Fund]; PT --- PERL[PERL];
```

### **General Fund**

Salaries and benefits (except Nutrition/Enterprise), utilities, curriculum, services, instruction support staff, transportation, administration.

### **Debt Service Fund**

Payment of principal and interest on bonds.

### **Physical Plant and Equipment Levy (PPEL) Fund**

- Purchase/construction of infrastructure
- Purchase, lease, lease-purchase of buildings
- Technology
- Buses and bus repair

### **Management Fund**

- Liability insurance
- Early retirement
- Unemployment claims
- Tort payments
- Arbitration/Mediation

### **PERL**

- Community Recreation Places
- Playgrounds
- Community Education
- No longer available, unless grandfathered in

When advocating, tie every levy to what it provides for your students and your community.

# Iowa Property Tax Assessment Process



## Local Assessment Process

The property tax cycle begins with value assessment conducted by local assessors throughout Iowa, forming the foundation for all tax calculations.



## Property Classification

Properties are categorized by type, with each category following a specific valuation method determined by Iowa tax law.



## Valuation Method Applied

Most properties use market value assessment, while agricultural land follows a unique productivity-based valuation system.



Residential  
Market Value



Comm/Industrial  
Market Value



\*Agricultural  
Productivity Value



## \* Agricultural Exception

Iowa uses productivity value for agricultural land based on income-generating ability through farming rather than market value.

Soil Quality • Crop Yields • Commodity Prices

# Definitions

## **Assessed Valuation**

The estimated market value of your property, as determined by the county assessor (*What your property may be worth in the real estate market*).

## **Taxable Valuation**

The reduced valuation of your property that is used to calculate your property tax bill (*What your property taxes are calculated on*).

## **Tax Exemptions**

A tax exemption reduces the taxable valuation of your property.

## **Tax Credits**

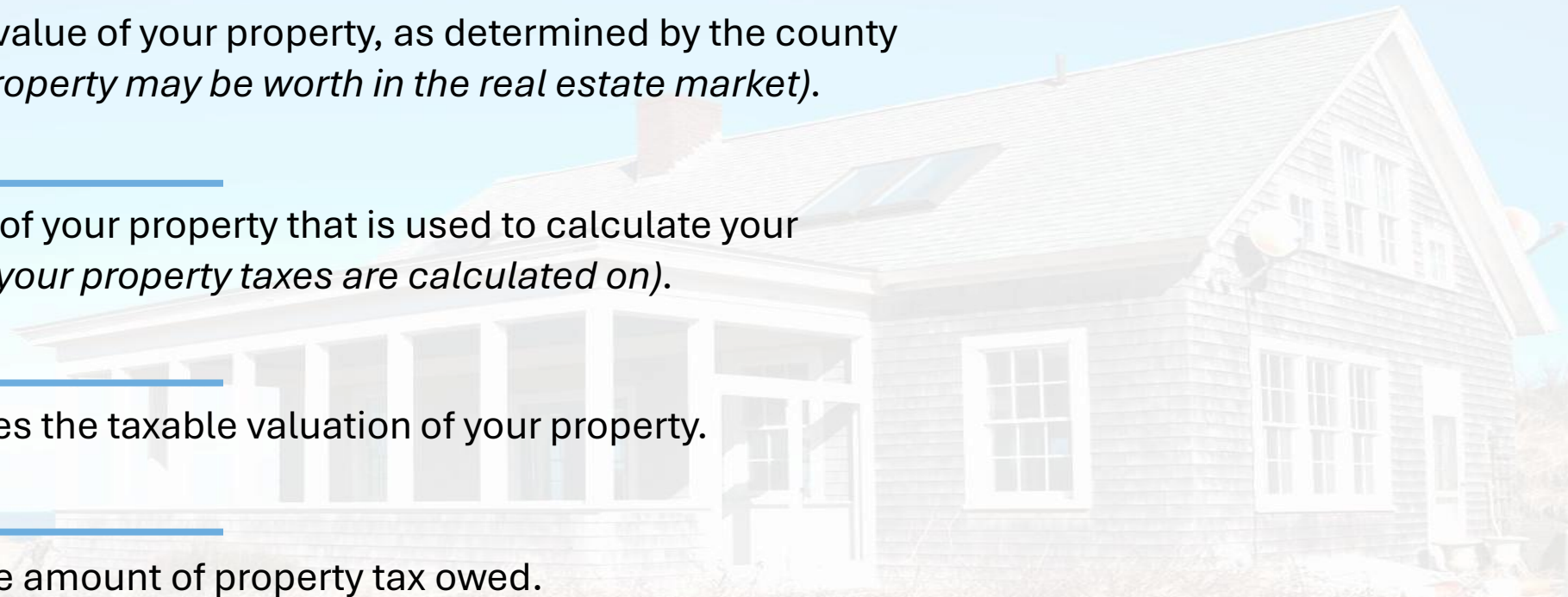
A tax credit reduces the amount of property tax owed.

## **Rollback**

The rollback is the percentage of a property's assessed value that is subject to taxation.

## **Tax Abatement**

A temporary reduction in property taxes that are otherwise payable on the actual value added to a residential or commercial property due to a qualified improvement.



# How your home's taxes are calculated



Only part of the process you have some control over

Set by the County Assessor

State Determined Reduction

A tax exemption reduces the taxable valuation of your property.

A tax credit reduces the amount of property tax owed.

For example: Homestead Credit =  $\$4,850/1000 \times \text{tax rate}$

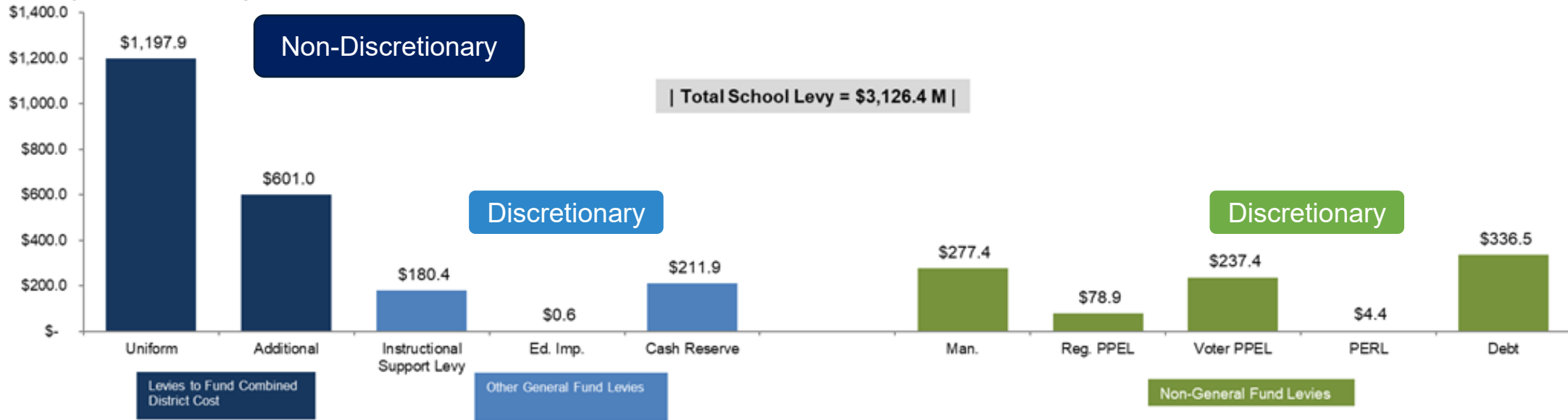
	FY 2026
School District Tax Rate	\$ 13.00000
Residential Properties (Homestead credit or exemption only applies to primary residence)	
	FY 2026
Assessed Value	\$ 250,000
Rollback %	47.4316%
Taxable Value (no credits)	\$ 118,579
Military (or other) Exemption	\$ -
Taxable Value after Exemptions	\$ 118,579
Gross Tax	\$ 1,542
Homestead Credit	\$ 63
Annual Net Property Tax Amount	\$ 1,478.48
Average Monthly Amount	\$ 123.21

[www.ia-sb.org/toolbox/financial-tools/budget-planning-monitoring](http://www.ia-sb.org/toolbox/financial-tools/budget-planning-monitoring)

# School Property Taxes and Rates By Component—State Level



FY 2026 School District Levies  
(Millions of Dollars)



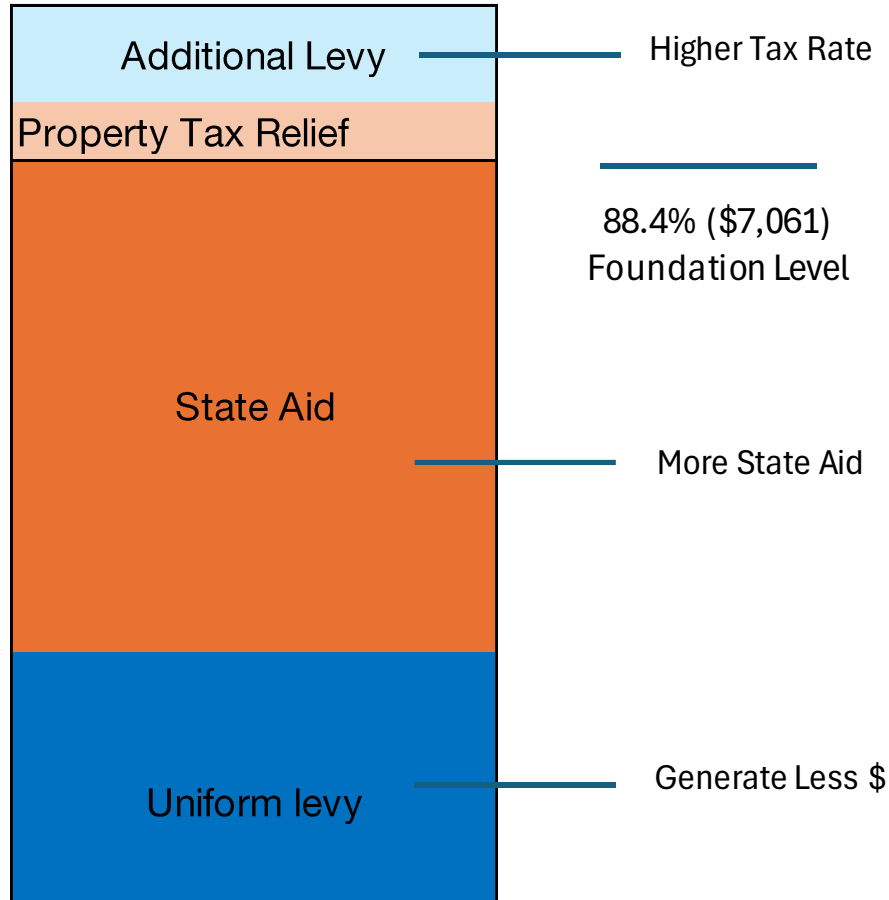
School Levy Component		Amount (In Millions)	% of Total	Authorization	# of Districts	Min. Rate	Max. Rate	Median Rate	Notes
Gen. Fund Levies	Uniform Levy	\$ 1,197.9	38.3%	Formula	325	\$ 5.15	\$ 5.400	\$ 5.40	Capped Rate
	Additional Levy	\$ 601.0	19.2%	Formula	325	\$ 0.14	\$ 5.661	\$ 2.58	Budget guarantee and DoP require Board Approval
	Instructional Support Levy	\$ 180.4	5.8%	Board or Voter	324	\$ -	\$ 1.758	\$ 0.57	Amount capped by formula
	Ed. Improvement Levy	\$ 0.6	0.0%	N.A.	2	\$ -	\$ 3.060	\$ -	Amount capped by formula
	Cash Reserve Levy	\$ 211.9	6.8%	Board	160	\$ -	\$ 4.399	\$ -	Amount capped by formula
	<b>Total General Fund Levies</b>	<b>\$ 2,191.7</b>	<b>70.1%</b>		<b>325</b>	<b>\$ 5.86</b>	<b>\$ 15.681</b>	<b>\$ 9.21</b>	
Non-General Fund Levies	Management Fund Levy	\$ 277.4	8.9%	Board	318	\$ -	\$ 4.031	\$ 1.20	Funds are use restricted
	Regular PPEL	\$ 78.9	2.5%	Board	323	\$ -	\$ 0.330	\$ 0.33	Max tax rate capped at \$0.33
	Voter PPEL	\$ 237.4	7.6%	Voter	281	\$ -	\$ 1.340	\$ 1.00	Max tax rate capped at \$1.34
	PERL	\$ 4.4	0.1%	Voter	30	\$ -	\$ 0.135	\$ -	Max tax rate capped at \$0.135
	Debt Services Levy	\$ 336.5	10.8%	Voter	175	\$ -	\$ 4.050	\$ 0.88	Max tax rate capped at \$2.70 or \$4.05
	<b>Total Non-Gen. Fund Levies</b>	<b>\$ 934.7</b>	<b>29.9%</b>						
<b>Total All Levies</b>		<b>\$ 3,126.4</b>	<b>100.0%</b>		<b>325</b>	<b>\$ 7.98</b>	<b>\$ 19.081</b>	<b>\$ 12.94</b>	

# Local property wealth determines the amount of revenue generated from property taxes for non-discretionary levies.

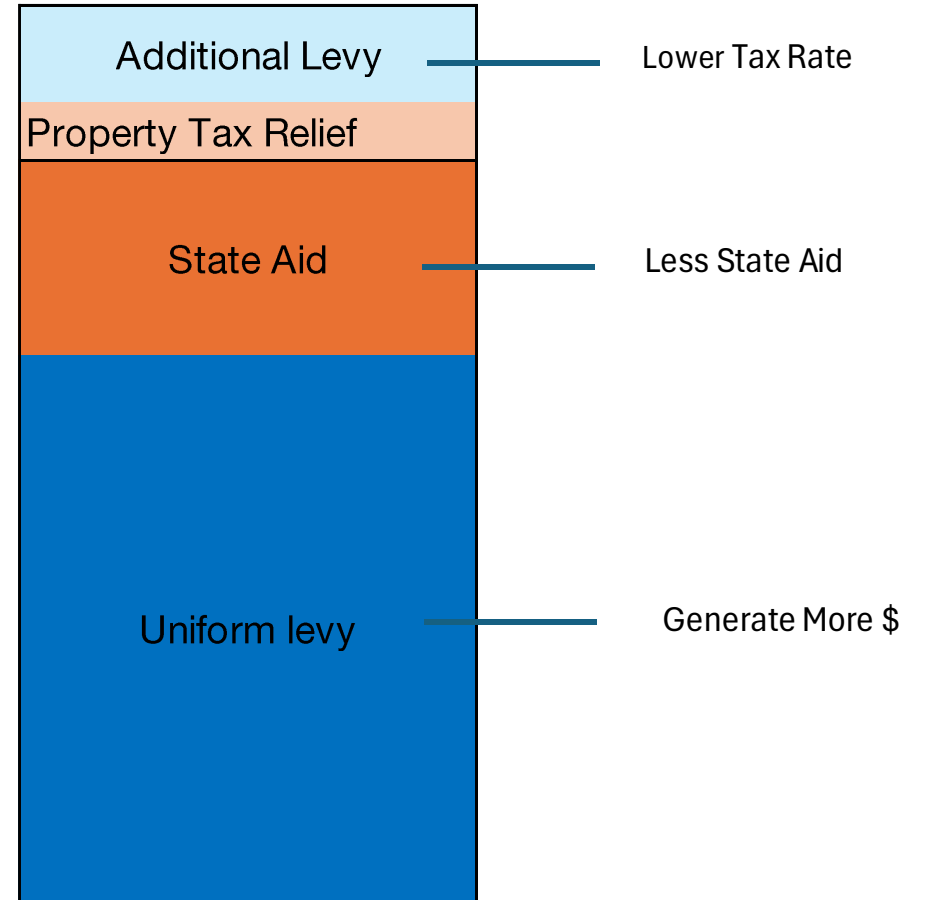
Iowa's school aid funding system is pupil-driven.

Taxable valuations per pupil impact the balance between state aid and property taxes.

District (A) | Property Poor



District (B) | Property Rich

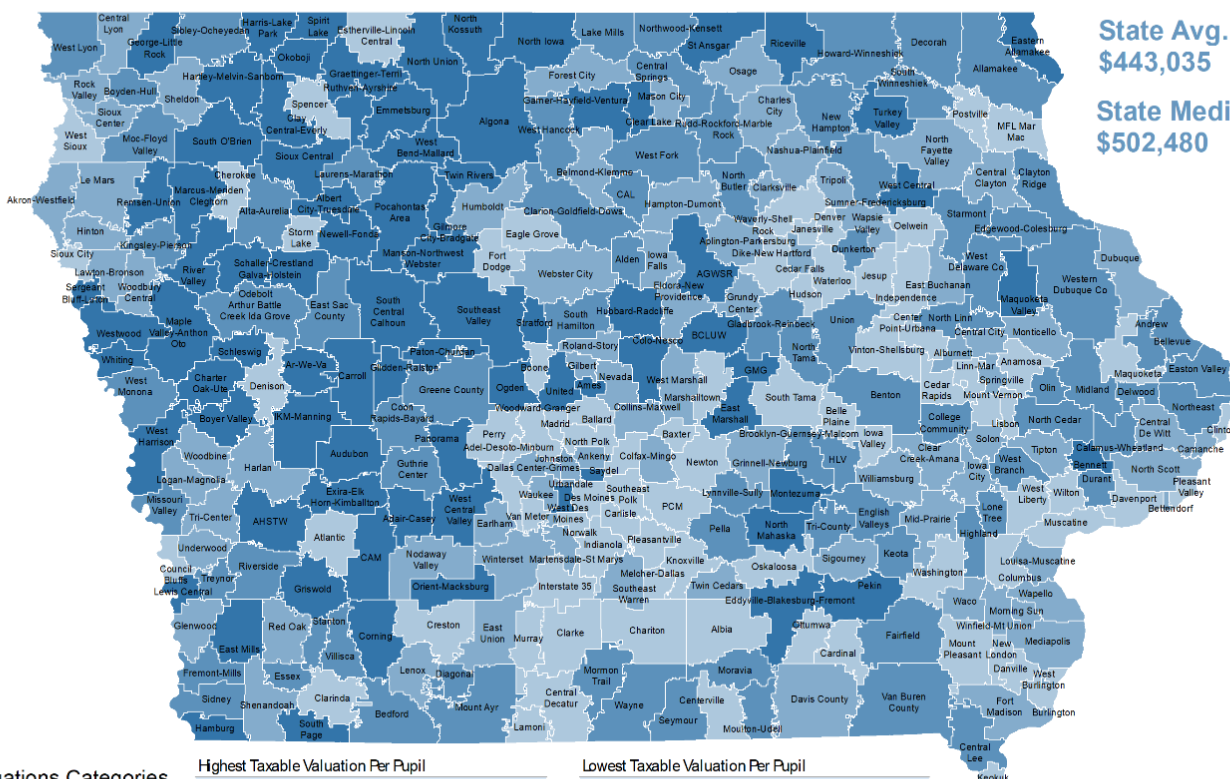




There is a correlation between the school district's taxable valuation per pupil and its property tax rate.

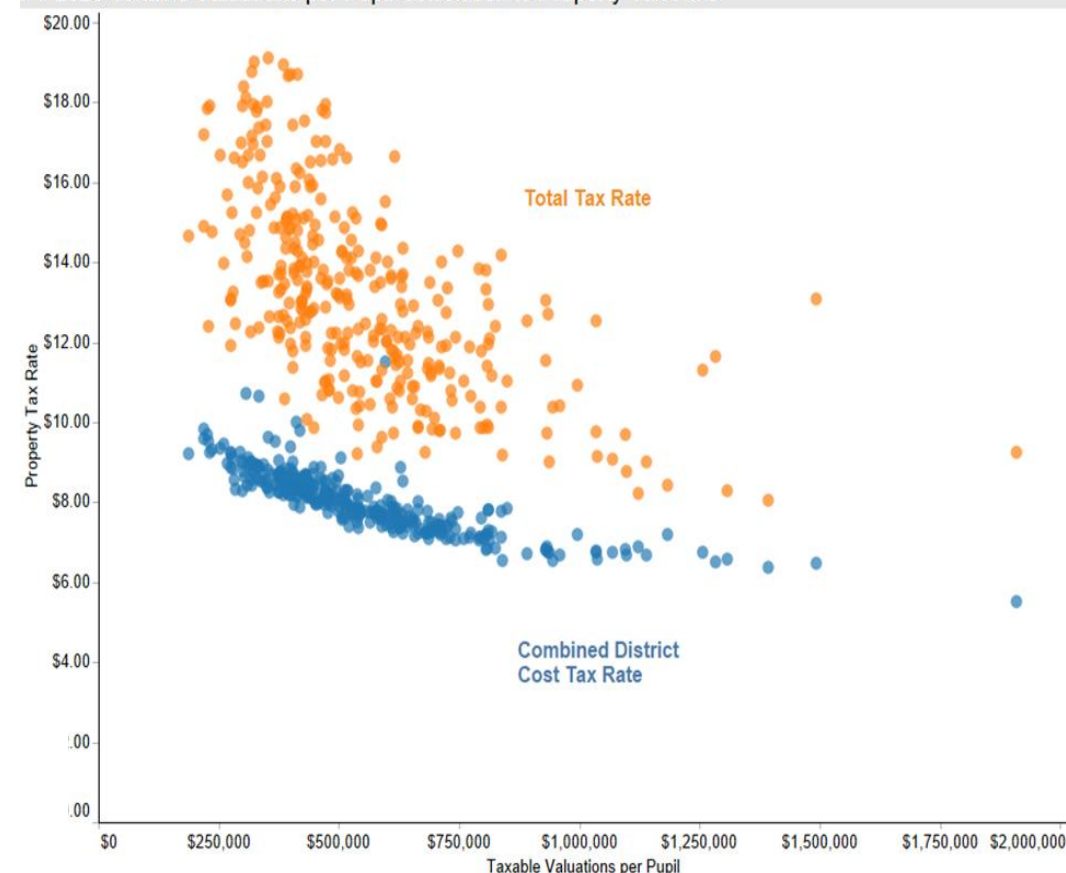


Iowa Association of School Boards  
FY 2025 Taxable Valuation Per Pupil



State Avg.  
\$443,035  
State Median  
\$502,480

FY 2025 Taxable Valuations per Pupil Correlation to Property Tax Rate



Taxable Valuations Categories

- \$187,282-\$400,000
- \$400,001-\$502,480
- \$502,481-\$651,605
- \$651,606-\$1,908,287

Highest Taxable Valuation Per Pupil

District Name	Taxable Valuations Per Pupil	COOLevy Rate	Total Tax Rate
Okoboji	1,908,287	\$5.51	\$9.25
Saydel	1,492,589	\$6.46	\$13.08
Spirit Lake	1,393,170	\$6.35	\$8.05
North Kossuth	1,307,939	\$6.57	\$8.29
South O'Brien	1,284,122	\$6.50	\$11.65

Lowest Taxable Valuation Per Pupil

District Name	Taxable Valuations Per Pupil	COOLevy Rate	Total Tax Rate
Ottumwa	187,282	\$9.20	\$14.67
Storm Lake	219,326	\$9.59	\$17.17
Keokuk	219,583	\$9.81	\$14.90
Perry	225,831	\$9.69	\$17.84
Sioux City	227,662	\$9.52	\$12.38

# Work to communicate misconceptions



- State law sets the framework and limits. School districts can only adjust within narrow limits.
- Increased valuation does not always mean school districts are raking in the cash. Corresponding reductions in state aid help control your spending limit.
- Cutting taxes does not automatically remove wasteful spending. Most levies fund the district's core needs.

# The Senate worked on three different property tax reform proposals with the House



While all three proposals varied, the elements of the property tax system impacted remained consistent.

- Removal or reduction of residential and commercial rollback.
- Additional tax exemptions (*reducing taxable valuations*).
- Reduction of the Uniform Levy and increase of the Foundation Level to 100% (*reduces the additional levy*).
- Changes to the maximum tax rate amounts for PPEL and Debt Service.
- Revenue limits on the Management Fund and PERL.

# Key Issues to any proposed legislation



## **Rollback Elimination**

*While this may simplify property taxes by reducing rates upfront and reducing the rollback over time, homeowners may end up paying more in the long run.*

## **Uniform Levy Rate Reduction/Foundation Level Changes**

*Puts more reliance on the state to provide adequate funding and increases over time*

## **Maximum Levy Rate Reductions**

*Due to taxable valuations, a rate reduction for Debt Service or PPEL will impact districts very differently.*

## **Management Fund**

*Undue limits on the Management Fund may hamper a district's ability to respond to urgent needs.*

[www.ia-sb.org/advocacy-center](http://www.ia-sb.org/advocacy-center)

One-size-fits-all limits will impact districts differently.

Advocate for the tools to manage your district responsibly, without tying your hands



”

If *you* don't tell the story of  
*your* district's property taxes,  
someone else will.

# Questions?







# *Vision & Voice for Public Education*

[www.ia-sb.org](http://www.ia-sb.org)

