



School District Cash Reserve Levy

School districts can levy cash reserves to replenish cash, help manage cash flow, and to provide revenue for any unfunded or remaining spending authority (ex: SPED deficit). Cash reserve levy amounts are included as part of a school district's general fund revenue **but do not increase** a school district's spending authority.

School districts are limited on the maximum amount of cash reserve levy. The limitation is calculated annually by the Department of Management and monitored by the School Budget Review Committee (SBRC). The calculation is the difference between 20.0% of a school district's general fund expenditures and the amount of assigned and unassigned fund balance. If this calculation is zero or negative, the school district is not allowed to levy cash reserves for that fiscal year, otherwise districts may levy up to that calculated level. In general, school districts that have a general fund solvency ratio of 20.0% or more will not be able to levy a cash reserve levy. The intent of the limitations on the cash reserve levy is to prohibit districts from using this levy if they have sufficient funds – as defined by the limitation - on hand.

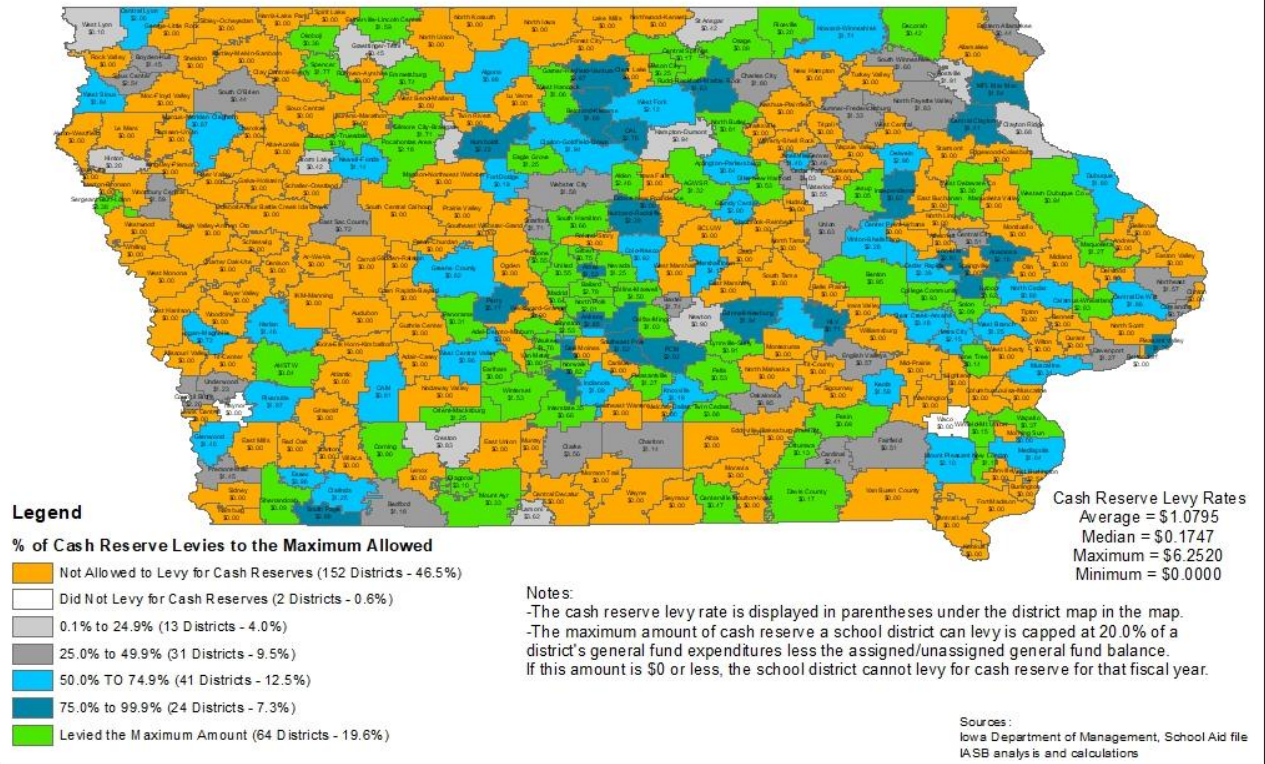
The following map provides information on the FY 2022 cash reserve levy amounts by school district. Included is each district's percentage of cash reserve levy amount to the maximum amount and the cash reserve levy rate. Of the 327 school districts, 152 school districts (46.5%) were not eligible to levy for cash reserves, two districts (0.6%) chose not to levy for cash reserves, 109 districts (33.3%) levied for some cash reserve, and 64 districts (19.6%) levied for cash reserves up to the maximum capacity level. IASB has additional information pertaining to cash reserve levy amounts available:

- [A larger map of the cash reserve levy information](#)
- [A list of all school districts FY 2022 cash reserve levy data](#)
- [Financial Focus Cash Reserve Levy Data](#)



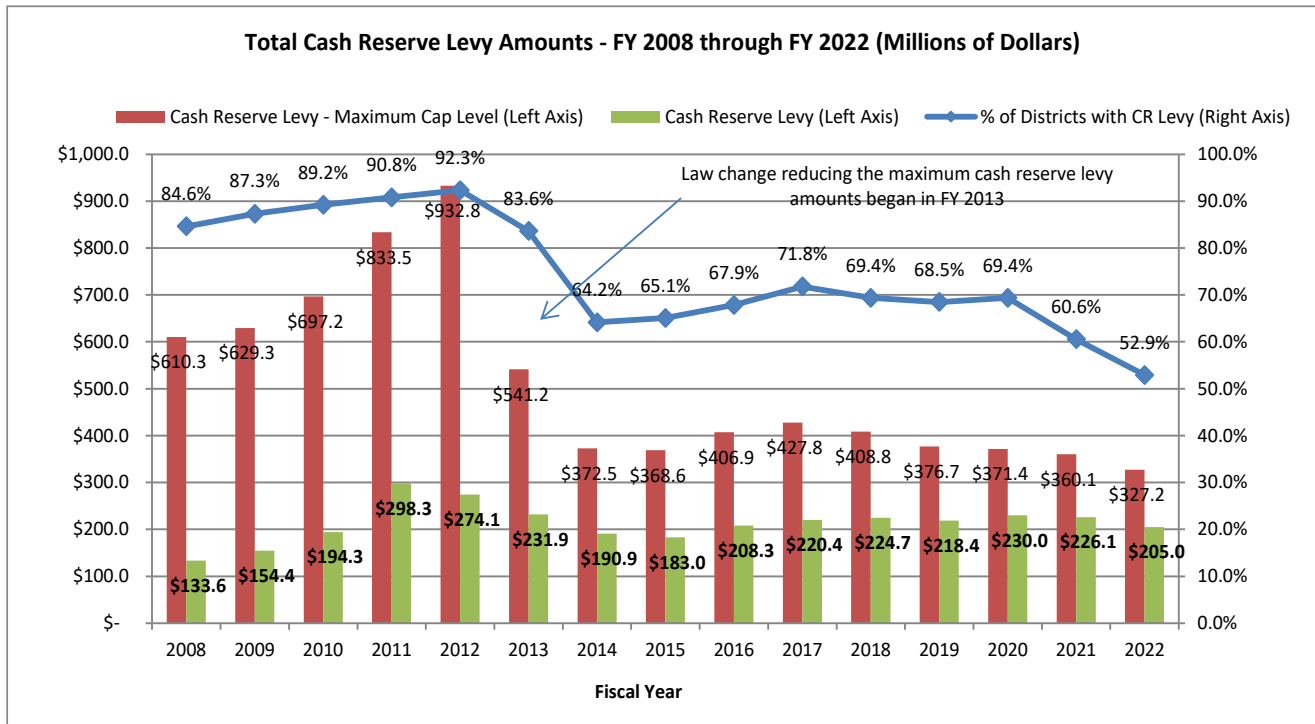
Iowa Association of School Boards FY 2022 Cash Reserve Levy Information by School District

[Click Here for District Specific Cash Reserve Information](#)



The following chart provides statewide totals on the cash reserve levy from FY 2008 to FY 2022, including the total amount levied (green bars), the maximum cash reserve levy allowed (red bars) and the percentage of districts levying cash reserve (blue line). Items of note:

- As a result of state budget reductions and the decisions to not fully fund the state aid portion of school aid that occurred in FY 2009 through FY 2011, the state total for school district cash reserve levy reached the three highest levels in FY 2011 through FY 2013 (\$298.3 million, \$274.1 million, and \$231.9 million respectively).
- The cash reserve levy maximum cap was reduced beginning in FY 2013 (represented by the red bars in the chart). Since FY 2012, the statewide total maximum cash reserve levy capacity has decreased from \$932.8 million to \$327.2 million.
- The percentage of districts that have levied for cash reserves has decreased from 69.4% in FY 2020 to 52.9% in FY 2022.



The following two tables provide information regarding cash reserve information by enrollment size category (based on the FY 2022 budget enrollments). **Table 1** shows the amount of cash reserve levied, the maximum allowed cash reserve levy amount and the number of districts that levied at the maximum and the number of districts that were not allowed to levy for any cash reserve. **Table 2** provides statistics on the cash reserve levy rate and per pupil cash reserve levy amounts for each of the enrollment size categories.

Enrollment Size Category	# of Districts	Max Cash Reserve Levy Allowed	Actual Cash Reserve Levy Amount	Amount Levied to Maximum	# of Districts that Levied for Cash Reserve	% of Districts that Levied for Cash Reserve	# of Districts not Allowed to Levy for Cash Reserve	% of Districts not Allowed to Levy for Cash Reserve
500 or less	100	\$ 17,811,113	\$ 10,303,558	57.8%	37	37.0%	62	62.0%
501 - 1,000	116	\$ 38,150,644	\$ 21,434,730	56.2%	59	50.9%	56	48.3%
1,001 - 2,000	66	\$ 55,506,673	\$ 34,851,045	62.8%	44	66.7%	22	33.3%
2,001 - 4,000	23	\$ 36,842,479	\$ 23,341,702	63.4%	14	60.9%	9	39.1%
More than 4,000	22	\$ 178,896,343	\$ 115,052,955	64.3%	19	86.4%	3	13.6%
Totals	327	\$ 327,207,252	\$ 204,983,990	62.6%	173	52.9%	152	46.5%

Table 2: FY 2022 Cash Reserve Levy Rate and Cash Reserve Levy Per Pupil Information - by Enrollment Size Category

Enrollment Size Category	Cash Reserve Levy Rates				Cash Reserve Levy Per Pupil Amounts			
	Average	Median	Maximum	Minimum	Average	Median	Maximum	Minimum
500 or less	\$ 0.5183	\$ -	\$ 4.4977	\$ -	\$ 305	\$ -	\$ 2,025	\$ -
501 - 1,000	\$ 0.5678	\$ 0.0456	\$ 3.9424	\$ -	\$ 269	\$ 22	\$ 2,128	\$ -
1,001 - 2,000	\$ 0.9541	\$ 0.8260	\$ 5.1679	\$ -	\$ 380	\$ 324	\$ 1,088	\$ -
2,001 - 4,000	\$ 1.0672	\$ 0.5346	\$ 6.2520	\$ -	\$ 363	\$ 159	\$ 2,476	\$ -
More than 4,000	\$ 1.5576	\$ 1.5244	\$ 4.1734	\$ -	\$ 536	\$ 529	\$ 1,359	\$ -
State Stats	\$ 1.0795	\$ 0.1747	\$ 6.2520	\$ -	\$ 423	\$ 70	\$ 2,476	\$ -