

Revenue Purpose Statement for SAVE Renewal

Background:

A Revenue Purpose Statement (RPS) guides and controls how a school district will spend its Secure an Advanced Vision for Education (SAVE) sales tax revenues for school infrastructure and equipment. An RPS is required by state law and can only be approved by a public vote.

Our current RPS runs through December 31, 2030, so there is not necessarily any urgency for us to renew our RPS. However, a school district can borrow against future SAVE revenues, but only if an RPS is approved for those years. For example, right now we cannot borrow from a ten-year bond against future SAVE revenues because our RPS does not extend ten years.

Now that the school board has renewed our Instructional Support Program, I recommend the board turn its attention to renewing our RPS. I am working with James Wainwright, an attorney at Ahlers & Cooney in Des Moines.

An RPS can only be renewed through a vote by our public at an election. I suggest we place our RPS on our August board meeting agenda. If the school board approves it on August 17, we can place the RPS on the November 2 election ballot.

If for some reason, our ballot issue fails this November, we could potentially lose our current SAVE fund. Therefore, I recommend we make the effective date for the new RPS January 1, 2031. That will give us another nine years to get this passed if anything bad happens.

Recommended Action:

I recommend the board move to renew our school district Revenue Purpose Statement by placing it on the ballot at our upcoming public election on November 2, 2021.