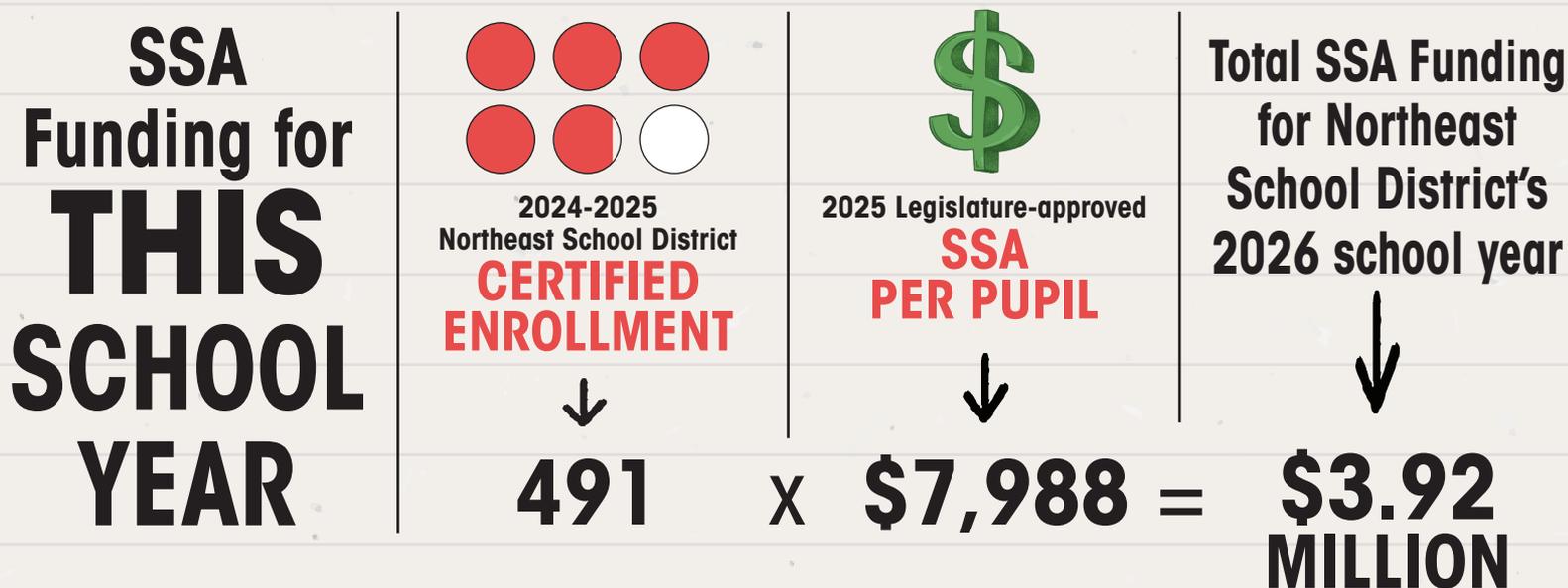
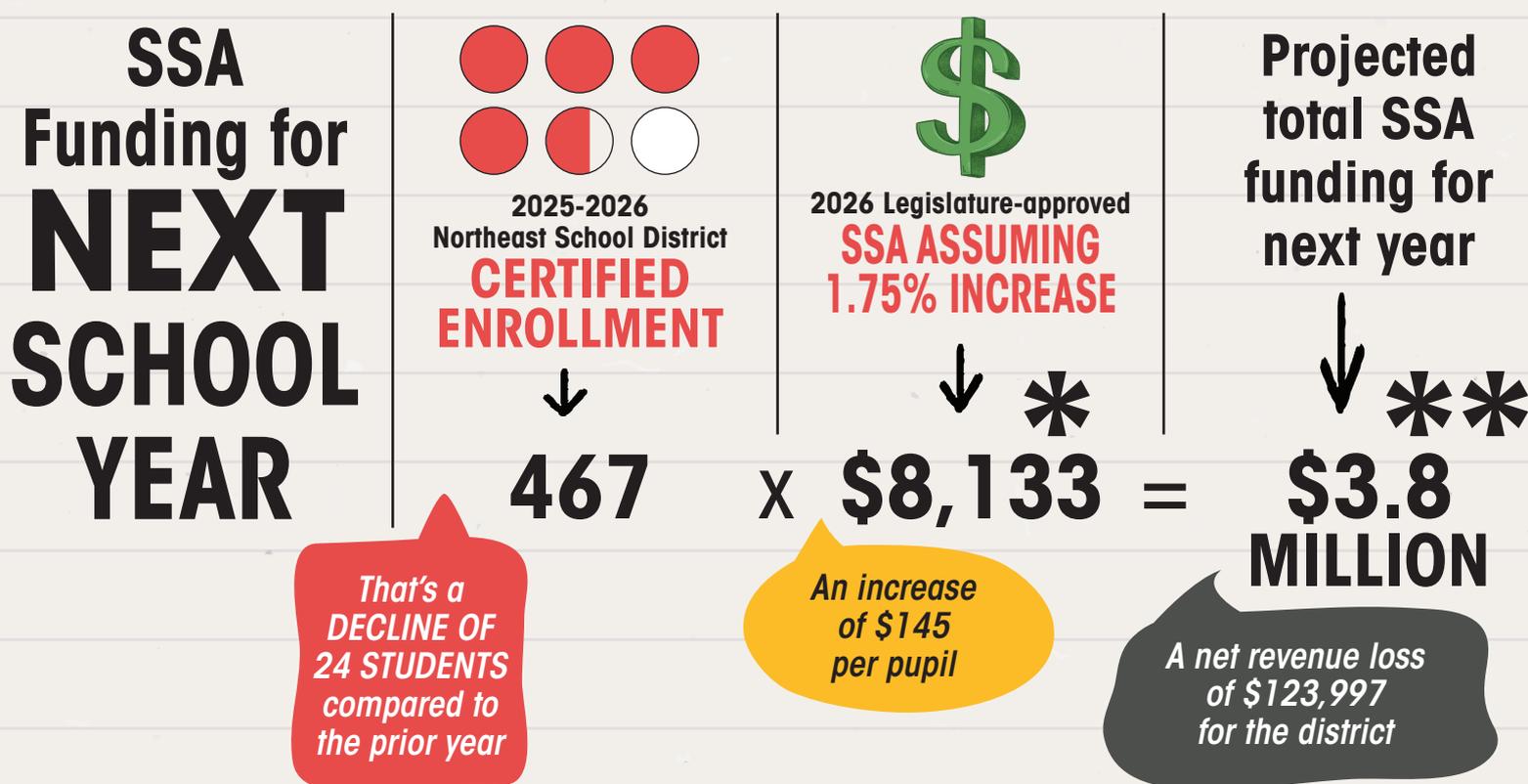


# The Northeast Community School District, state funding and property tax rates...

**HOW THIS GRAPHIC WORKS:** This graphic explains the relationship between school enrollment and Supplement State Aid (money the Iowa Legislature provides school districts, known as SSA) and how the two could affect the Northeast Community School District's finances and local property tax rates. It also shows what a 1.75% SSA increase for the 2026-2027 school year, which the Iowa Senate approved earlier this month, could mean for educators, students and taxpayers.



The information below shows how the Northeast School District's drop in certified enrollment this school year and a 1.75% increase in SSA would affect the district's finances next year.



\* Includes additional \$5 per student approved by Iowa Senate.

\*\* The \$123,997 year-over-year funding deficit is based on certified enrollment only and does not include other variables.

## Property Tax Implications

Iowa law allows school districts that experience a revenue decline in state funding to increase their tax levy an amount that allows it to generate 101% of its prior year's revenue. The Northeast district, along with more than 200 others, will qualify for this status. Known as Budget Guarantee, the designation is granted for only one year at a time. However, a district that loses enrollment year after year could qualify multiple years in a row. **A SECOND OPTION:** The state could choose to provide additional funding from reserve accounts that would bring districts to 101% of the prior year's state funding.