



Contact Joel Pedersen with any additional questions
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Why the P.P.E.L. vote is Important

(Physical Plant and Equipment Levy)

March 2, 2021

District	Certified Enrollment	PPEL Funding Available	Per Pupil
Sigourney	552	\$341,366	\$618
Fairfield	1608	\$857,872	\$534
Van Buren County	950	\$466,596	\$491
Cardinal	589	\$283,236	\$481
Oskaloosa	2273	\$673,530	\$296
Eddyville-Blakesburg	870	\$172,852	\$199
Pekin	611	\$104,378	\$171
Moravia	341	\$44,453	\$130
Davis County	1167	\$135,559	\$116
Albia	1151	\$103,074	\$90
Ottumwa	4763	\$277,602	\$58
Average	1352	\$314,592	\$233

Cardinal (No PPEL)	589	\$55,968	\$95
		\$227,268 Loss	

This is an extension of the levy that the district has had in place for 20 years. This is not a new tax levy. Please contact Superintendent Joel Pedersen for any additional questions at 641-652-7531 ext. 3201 or joel.pedersen@cardinalcomet.com

What Does PPEL Fund?



School Buses



Student Computers Purchased



Teacher Technology Purchased



Remodeling Band/Music Rooms



Increased Parking at Elementary



Replaced Roof at High School Common Area



New Concrete throughout District



New Elementary Playground

2010 – 2020

The Board of Directors at Cardinal Schools submitted a ballot issue regarding the renewal of the Physical Plant and Equipment Levy (PPEL) at the March 2, 2021 Special Election. The Cardinal School District has participated in the PPEL for 20 years. Below is a list of “Frequently Asked Questions” to help you understand what PPEL is and how the funding is utilized.

PPEL Facts:

- The \$1.34 PPEL is a Voter-approved Levy, maximum of 10 years. The revenues are restricted to school building repairs, maintenance, improvements, or new construction.
- PPEL revenues can also be used to purchase technology and other equipment items over \$500.
- The current voter approved PPEL expires June 30, 2021.The District has generated an average of \$250,000 per year over the past 10 years on the \$1.34 PPEL.
- PPEL is funded with 100% property tax. PPEL requires a 50% majority to be approved.

What is PPEL?

PPEL stands for Physical Plant and Equipment Levy. PPEL provides the necessary funds to maintain the school buildings, complete site improvements and purchase school equipment. PPEL is an annual property tax levy, not a bond issue.

How long has the District had a PPEL?

Cardinal Schools has had a PPEL for over 20+ years. Prior to 1992, PPEL was called the “Schoolhouse Levy”.

What is the current PPEL levy amount?

PPEL is limited to \$1.34 per \$1000 of taxable property valuation. Cardinal’s current levy is \$1.34 and, if not renewed, will expire in 2021. Voters are being asked to renew for another 10 years, extending the levy until 2031

How many schools have PPEL?

Currently 268 of the 327 Iowa School Districts (82%) have a voter approved PPEL. All of these schools levy the additional \$.33/\$1000 for the board approved PPEL component.

Why is the school board requesting the voters to renew the PPEL now?

The current PPEL will expire on June 30, 2021 (2020-2021 school year). To keep the buildings functioning safely and efficiently, the District is required to do ongoing facility maintenance planning, always looking 10 years out to predict routine facility maintenance as well as general improvements. To assure continuous planning for long-term building maintenance, the Board is requesting the voters to renew the PPEL.

What happens if the PPELis not renewed?

Maintenance of school buildings is essential to meeting the basic educational needs of the students. Under Iowa law, construction of school buildings, site improvements, and large equipment purchases are a local taxpayer’s responsibility. Repair and improvement expenditures must be made to maintain safe and efficient buildings. If funds are not provided by PPEL, costs for building repairs must be paid from another source. Cardinal has used Sales Tax funds for large construction projects to avoid levying future property tax construction bonds. The only remaining source of funding for school maintenance, other than PPEL, would be the General Fund. Use Of the General Fund for building maintenance will reduce funding available for teacher salaries, support staff, curriculum,programs, supplies and all other support for teaching and learning.. Without PPEL funds, the General Fund will be spread even thinner to meet the demands of education and school maintenance.

SUMMARY TAX IMPACT

Cardinal Community School District, Iowa

Prepared by: Piper Sandler

* Any suggested tax increase (a) is only an estimate, and (b) does not include any change upward or downward in tax rates that your City, County and Community College may cause to their budgets in any given fiscal year.

1/1/2020 Assessed Value*	1/1/2020 Rollback	Taxable Value	Less Homestead Credit**	Net Taxable Value	Est. Tax Rate Change per \$1,000	Change in Annual Tax Payment	Change in Tax Payment per Month
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Residential Property													
\$25,000	x	56.4094%	=	\$14,102	-	\$4,850.00	=	\$9,252	x	\$1.34000	=	\$12.40	\$1.03
\$35,000	x	56.4094%	=	\$19,743	-	\$4,850.00	=	\$14,893	x	1.34000	=	\$19.96	\$1.66
\$45,000	x	56.4094%	=	\$25,384	-	\$4,850.00	=	\$20,534	x	1.34000	=	\$27.52	\$2.29
\$75,000	x	56.4094%	=	\$42,307	-	\$4,850.00	=	\$37,457	x	1.34000	=	\$50.19	\$4.18
\$100,000	x	56.4094%	=	\$56,409	-	\$4,850.00	=	\$51,559	x	1.34000	=	\$69.09	\$5.76
\$125,000	x	56.4094%	=	\$70,512	-	\$4,850.00	=	\$65,662	x	1.34000	=	\$87.99	\$7.33
\$150,000	x	56.4094%	=	\$84,614	-	\$4,850.00	=	\$79,764	x	1.34000	=	\$106.88	\$8.91
\$175,000	x	56.4094%	=	\$98,716	-	\$4,850.00	=	\$93,866	x	1.34000	=	\$125.78	\$10.48
\$200,000	x	56.4094%	=	\$112,819	-	\$4,850.00	=	\$107,969	x	1.34000	=	\$144.68	\$12.06
\$300,000	x	56.4094%	=	\$169,228	-	\$4,850.00	=	\$164,378	x	1.34000	=	\$220.27	\$18.36

Multi-residential (Apartment, Nursing, etc.)gradually Grandfathering down to "Residential" rollback in 2022													
\$75,000	x	67.5000%	=	\$50,625	-	0	=	\$50,625	x	1.34000	=	\$67.84	\$5.65
\$150,000	x	67.5000%	=	\$101,250	-	0	=	\$101,250	x	1.34000	=	\$135.68	\$11.31

Commercial Property													
\$25,000	x	90.0000%	=	\$22,500	-	0	=	\$22,500	x	1.34000	=	\$30.15	\$2.51
\$50,000	x	90.0000%	=	\$45,000	-	0	=	\$45,000	x	1.34000	=	\$60.30	\$5.03
\$75,000	x	90.0000%	=	\$67,500	-	0	=	\$67,500	x	1.34000	=	\$90.45	\$7.54
\$100,000	x	90.0000%	=	\$90,000	-	0	=	\$90,000	x	1.34000	=	\$120.60	\$10.05
\$125,000	x	90.0000%	=	\$112,500	-	0	=	\$112,500	x	1.34000	=	\$150.75	\$12.56
\$150,000	x	90.0000%	=	\$135,000	-	0	=	\$135,000	x	1.34000	=	\$180.90	\$15.08
\$250,000	x	90.0000%	=	\$225,000	-	0	=	\$225,000	x	1.34000	=	\$301.50	\$25.13
\$500,000	x	90.0000%	=	\$450,000	-	0	=	\$450,000	x	1.34000	=	\$603.00	\$50.25

Agricultural Property (land only on a per acre basis)*													
\$500	x	84.0305%	=	\$420	-	0	=	\$420	x	1.34000	=	\$0.56300	\$0.05
\$700	x	84.0305%	=	\$588	-	0	=	\$588	x	1.34000	=	\$0.78821	\$0.07
\$982	x	84.0305%	=	\$825	-	0	=	\$825	x	1.34000	=	\$1.10574	\$0.09
\$1,100	x	84.0305%	=	\$924	-	0	=	\$924	x	1.34000	=	\$1.23861	\$0.10
\$1,300	x	84.0305%	=	\$1,092	-	0	=	\$1,092	x	1.34000	=	\$1.46381	\$0.12

Actual 1/1/2019 Average Assessed Value of 1 Acre of Ag Land: Wapello County = \$982

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- Assessed Value **IS NOT** "Market Value"...Assessed Value is determined by County Assessor while Market Value is determined by the open real estate marketplace. Market Value plays no role in determining taxable value or property tax dollars.
- Homestead Credit may vary from County to County
- Farm Buildings Are Assessed with the Agriculture Property ROLLBACK
- Ag Property will pay the school levy, but will pay a different CITY levy than Residential Property if the land is within City limits.
- Within CITY limits Ag Property pays the Ag Levy (likely near the maximum rate of \$3.00375) and NOT the City Levy....but, does still pay all school levies, including PPEL and Debt Service. The farm home pays the entire levy just as any other home within City limits, except the City levy is replaced with the County levy.

Ag Land Examples, Assuming "Average" Assessed Valuation of Land:				
40	acres	x	\$1.10574	= \$44.23
80	acres	x	\$1.10574	= \$88.46
160	acres	x	\$1.10574	= \$176.92
240	acres	x	\$1.10574	= \$265.38
320	acres	x	\$1.10574	= \$353.84
500	acres	x	\$1.10574	= \$552.87
1,000	acres	x	\$1.10574	= \$1,105.74
2,000	acres	x	\$1.10574	= \$2,211.48