

State of Iowa
Projected Condition of the General Fund

(In Millions)

	Actual FY 2021	Estimated FY 2022	LSA Projection FY 2023
Resources			
Net Receipts (Oct. 15, 2021, REC Est.)	\$ 8,800.6	\$ 8,934.2	\$ 9,074.7
Surplus Carryforward	246.9	233.3	166.9
Total Available Resources	\$ 9,047.5	\$ 9,167.5	\$ 9,241.6
Expenditure Limitation			\$ 9,150.9
Appropriations and Expenditures			
Appropriations	\$ 7,778.5	\$ 8,118.5	\$ 8,124.3
Adjustments to Standing Appropriations	4.1	5.8	0.0
Built-In and Anticipated Expenditures	0.0	0.0	138.0
Supplemental/Deappropriations	44.2	0.0	0.0
Total Appropriations	\$ 7,826.8	\$ 8,124.3	\$ 8,262.3
Reversions	- 17.9	- 5.0	- 5.0
Net Appropriations	\$ 7,808.9	\$ 8,119.3	\$ 8,257.3
Ending Balance – Surplus	\$ 1,238.6	\$ 1,048.2	\$ 984.3

State of Iowa Reserve Funds

(In Millions)

<u>Cash Reserve Fund</u>	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
<u>Funds Available</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Balance Brought Forward	\$ 587.9	\$ 587.8	\$ 612.6
General Fund Transfer from Surplus	305.5	1,238.6	1,048.2
Total Funds Available	\$ 893.4	\$ 1,826.4	\$ 1,660.8
Transfer to Economic Emergency Fund	- 305.6	- 1,213.8	- 980.2
Balance	\$ 587.8	\$ 612.6	\$ 680.6
<i>Maximum 7.5%</i>	\$ 587.8	\$ 612.6	\$ 680.6
<hr/>			
<u>Economic Emergency Fund</u>			
<u>Funds Available</u>			
Balance Brought Forward	\$ 189.5	\$ 213.3	\$ 204.2
Excess from Cash Reserve Fund	305.6	1,213.8	980.2
Executive Council – Performance of Duty	- 30.8	- 26.5	- 25.0
Total Funds Available	\$ 464.3	\$ 1,400.6	\$ 1,159.4
Excess Surplus	- 268.4	- 1,196.4	- 932.5
FY 2021 Perf. of Duty Expense Adjustment	17.4	0.0	0.0
Emergency Appropriation - SF 2408	0.0	0.0	0.0
Iowa Coronavirus Relief Fund Transfer	0.0	0.0	0.0
Balance	\$ 213.3	\$ 204.2	\$ 226.9
<i>Maximum 2.5%</i>	\$ 195.9	\$ 204.2	\$ 226.9
<hr/>			
<u>Distribution of Excess Surplus</u>			
Transfer to General Fund	\$ 246.9	\$ 233.3	\$ 166.9
Transfer to Taxpayer Relief Fund	21.5	963.1	765.6
Total	\$ 268.4	\$ 1,196.4	\$ 932.5
<hr/>			
<u>Combined Reserve Fund Balances</u>			
Cash Reserve Fund	\$ 587.8	\$ 612.6	\$ 680.6
Economic Emergency Fund	213.3	204.2	226.9
Total	\$ 801.1	\$ 816.8	\$ 907.5
<hr/>			
<u>Statutory Maximum</u>			
Cash Reserve Fund	\$ 587.8	\$ 612.6	\$ 680.6
Economic Emergency Fund	195.9	204.2	226.9
Total	\$ 783.7	\$ 816.8	\$ 907.5

Taxpayer Relief Fund

(In Millions)

	<u>Actual FY 2021*</u>	<u>Estimated FY 2022</u>	<u>Projected FY 2023</u>
Funds Available			
Balance Brought Forward	\$ 74.1	\$ 90.4	\$ 1,053.7
General Fund Surplus Transfer	21.5	963.1	765.6
Interest	0.1	0.2	0.0
Total Funds Available	<u>\$ 95.7</u>	<u>\$ 1,053.7</u>	<u>\$ 1,819.3</u>
Expenditures			
Homestead Tax Credit	\$ - 2.8	\$ 0.0	\$ 0.0
Elderly & Disabled Tax Credit	-2.5	0.0	0.0
Ending Balance	<u>\$ 90.4</u>	<u>\$ 1,053.7</u>	<u>\$ 1,819.3</u>

* The \$60.0 million statutory limit is repealed beginning in FY 2021.

**Adjusted Revenue Estimate
and Reserve Fund Goal Calculations**

(In Millions)

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
REC Estimates	\$ 7,848.4	\$ 7,876.6	\$ 8,265.7
Revenue Adjustments	-9.3	-39.1	-97.1
Adjusted Revenue Estimate	<u>\$ 7,839.1</u>	<u>\$ 7,837.5</u>	<u>\$ 8,168.6</u>
Reserve Fund Goals			
Cash Reserve Fund (7.5%)	\$ 587.9	\$ 587.8	\$ 612.6
Economic Emergency Fund (2.5%)	196.0	195.9	204.2
Total	<u>\$ 783.9</u>	<u>\$ 783.7</u>	<u>\$ 816.8</u>

FY 2023 General Fund Built-In and Anticipated Expenditures

(In Millions)

	LSA Estimates
<u>Built-In Expenditure Changes</u>	
1. Education – K-12 School Foundation Aid	\$ 98.0
2. Human Services - MHDS Regional Per Capita Approp	70.2
3. Education – Instructional Support Program	14.8
4. Human Services – Hawki Program	9.3
5. Management – State Appeal Board Claims	5.5
6. College Aid – College Work Study	2.8
7. Education – Child Development (At-Risk Program)	2.1
8. Human Services - Adoption Subsidy Program	2.0
9. Education – Nonpublic School Transportation	1.9
10. Economic Development Authority – World Food Prize	0.6
11. Economic Development Authority – Tourism Marketing	0.3
12. Cultural Affairs – County Endowment Fund	0.1
13. Management – Technology Reinvestment Fund	-0.2
14. Revenue – Property Tax Replacement Nonschools	-13.9
15. Revenue – Property Tax Replacement Schools	-59.7
Subtotal	\$ 133.8
<u>Anticipated Expenditure Changes</u>	
16. Public Health – Addictive Disorders	\$ 1.5
17. Corrections – Food and Utilities CPI Increase	1.3
18. Corrections – County Confinement	0.9
19. Corrections – Pharmacy	0.5
20. Human Services – Adoption Subsidy Program	0.5
21. Classroom Environment & Therapeutic Classrooms	-0.5
Subtotal	\$ 4.2
Total	\$ 138.0

State Tax Credit Claims
(In Millions)

Tax Credit Programs	Actual FY 2019	Actual FY 2020	Actual FY 2021
<u>Capped Programs</u>			
High Quality Jobs Program	\$ 34.9	\$ 31.3	\$ 23.1
Historic Preservation Tax Credit	36.7	55.4	28.5
Redevelopment Tax Credit	9.0	4.6	6.0
School Tuition Organization Tax Credit	10.9	9.9	11.9
Workforce Housing Tax Incentive Program	15.9	22.0	18.8
All Other Programs	41.6	37.5	35.8
Total Capped Programs	\$ 149.0	\$ 160.7	\$ 124.2
<u>Uncapped Programs</u>			
Biodiesel Blended Fuel Tax Credit	\$ 17.3	\$ 18.2	\$ 21.8
Earned Income Tax Credit	67.6	68.6	61.9
Iowa Industrial New Jobs Training Program (260E)	38.1	41.4	38.0
Research Activities Tax Credit	84.3	82.3	68.0
Tuition and Textbook Tax Credit	15.1	14.9	13.3
All Other Programs	20.3	20.3	18.8
Total Uncapped Programs	\$ 242.9	\$ 245.7	\$ 221.9
Tax Credit Program Total	\$ 391.9	\$ 406.4	\$ 346.1

Source: Department of Revenue, Tax Credits Contingent Liabilities Report, October 2021.

The numbers may not equal totals due to rounding.