

State of Iowa
Projected Condition of the General Fund Budget
(Dollars in Millions)

	Actual FY 2017	FY 2018		FY 2019	
		Gov Rec	Legis. Action	Gov Rec	Legis. Action
Resources					
Receipts (Dec Est)	\$ 7,095.9	\$ 7,237.5	\$ 7,237.5	\$ 7,527.0	\$ 7,527.0
Cash Reserve Transfer	131.1	0.0	0.0	0.0	0.0
Economic Emergency Fund Transfer	13.0	0.0	0.0	0.0	0.0
Subtotal Receipts	<u>7,240.0</u>	<u>7,237.5</u>	<u>7,237.5</u>	<u>7,527.0</u>	<u>7,527.0</u>
Revenue Adjustments	0.0	11.2	38.2	106.9	94.9
March REC Adjustment	0.0	0.0	4.9	0.0	18.5
Surplus Carryforward	<u>18.2</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.8</u>
Total Available Resources	<u>\$ 7,258.2</u>	<u>\$ 7,248.7</u>	<u>\$ 7,280.6</u>	<u>\$ 7,633.9</u>	<u>\$ 7,641.2</u>
Expenditure Limitation				\$ 7,557.5	\$ 7,545.0
Estimated Appropriations and Expenditures:					
Appropriations	\$ 7,350.6	\$ 7,264.6	\$ 7,264.6	\$ 7,446.5	\$ 7,480.2
Adjustment to Standing Appropriations	1.1	0.0	0.0	0.0	0.0
Transfer to Economic Emergency Fund	0.0	13.0	13.0	0.0	0.0
Supplemental/Deappropriations	<u>- 88.2</u>	<u>- 27.1</u>	<u>- 23.3</u>	<u>0.0</u>	<u>0.0</u>
Total Appropriations	<u>\$ 7,263.5</u>	<u>\$ 7,250.5</u>	<u>\$ 7,254.3</u>	<u>\$ 7,446.5</u>	<u>\$ 7,480.2</u>
Reversions	- 5.3	- 5.4	- 5.4	- 5.0	- 5.0
Governor's Item Vetoes	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>- 0.2</u>
Net Appropriations	<u>\$ 7,258.2</u>	<u>\$ 7,245.1</u>	<u>\$ 7,248.9</u>	<u>\$ 7,441.5</u>	<u>\$ 7,475.0</u>
Ending Balance - Surplus	<u>\$ 0.0</u>	<u>\$ 3.6</u>	<u>\$ 31.7</u>	<u>\$ 192.4</u>	<u>\$ 166.2</u>
Under (Over) Expenditure Limitation				<u>\$ 111.0</u>	<u>\$ 64.8</u>

NOTE: The Governor did not item veto any appropriations or revenue adjustments from legislation passed by the General Assembly during the 2018 Legislative Session. The Governor did item veto an allocation from SF 2418 (Health and Human Services Appropriations Act) that will result in an increase in reversions for FY 2019 by an estimated \$195,000 for FY 2019.

State of Iowa
General Fund Appropriation Bills
(Dollars in Millions)

Bill No.	Bill Name	Gov Rec		Legislative Action	
		FY 2018 Adj.	FY 2019	FY 2018 Adj.	FY 2019
SF 2416	Administration and Regulation	\$ 0.0	\$ 47.5	\$ 0.0	\$ 48.0
HF 2491	Agriculture and Natural Resources	0.0	38.6	0.0	39.4
HF 2493	Economic Development	0.0	39.9	0.0	40.2
SF 2415	Education	0.0	922.0	0.0	912.6
SF 2418	Health and Human Services	0.0	1,831.7	0.0	1,821.8
HF 2492	Justice System	0.0	561.6	0.0	568.0
HF 2495	Judicial Branch	0.0	183.9	0.0	180.7
SF 2414	Infrastructure Bill	0.0	0.0	0.0	- 17.5
HF 2230	State School Aid	0.0	3,233.7	0.0	3,226.6
SF 455	Transportation Equity Fund	0.0	0.0	0.0	14.1
SF 2117	FY 2018 Budget Adjustment Bill	- 27.1	0.0	- 23.3	0.0
HF 2502	Standing Appropriations Bill	0.0	0.0	0.0	- 29.2
Current Law	Standing Appropriations (Current Law)	0.0	587.5	0.0	675.6
	Total	\$ - 27.1	\$ 7,446.5	\$ - 23.3	\$ 7,480.2

State of Iowa
General Fund Revenue Adjustments by Bill
(Dollars in Millions)

<u>Bill No.</u>	<u>Revenue Description</u>	<u>Gov Rec</u>		<u>Legislative Action</u>	
		<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2019</u>
Current Law	Federal Tax Cuts & Jobs Act	\$ 11.2	\$ 110.8	\$ 28.4	\$ 188.3
SF 512	Water Quality	0.0	- 3.9	0.0	0.0
SF 2407	Raceway Sales Tax Rebate Modification	0.0	0.0	0.0	- 0.7
SF 2349	Association Health Plans	0.0	0.0	0.0	- 1.8
SF 2117	Skilled Worker Job Creation Fund Transfer	0.0	0.0	10.0	0.0
HF 2502	Taxpayers Trust Fund Transfer	0.0	0.0	0.0	8.3
HF 2493	Skilled Worker Job Creation Fund Transfer	0.0	0.0	0.0	2.3
HF 2492	Justice Bill - Small Claims Filing Fee	0.0	0.0	0.0	- 1.0
SF 2417	Income & Sales Tax Modification	0.0	0.0	- 0.2	- 100.1
HF 2478	Construction Equipment Sales Tax	0.0	0.0	0.0	- 0.4
Total Revenue Adjustments		\$ 11.2	\$ 106.9	\$ 38.2	\$ 94.9

State of Iowa
Expenditure Limitation Calculation
(Dollars in Millions)

		FY 2019					
		Gov Rec			Legislative Action		
		Amount	%	Expend. Limit	Amount	%	Expend. Limit
Revenue Estimating Conference							
Total (Dec 2017 Estimate)		\$ 7,527.0	99%	\$ 7,451.7	\$ 7,527.0	99%	\$ 7,451.7
Revenue Adjustments:							
Current Law	Federal Tax Cuts & Jobs Act	\$ 110.8	99%	\$ 109.7	\$ 188.3	99%	\$ 186.4
SF 2407	Raceway Sales Tax Rebate Modification	0.0	0%	0.0	- 0.7	100%	- 0.7
SF 2349	Association Health Plans	0.0	0%	0.0	- 1.8	100%	- 1.8
HF 2502	Taxpayers Trust Fund Transfer	0.0	0%	0.0	8.3	95%	7.9
HF 2493	Skilled Worker Job Creation Fund Trans	0.0	0%	0.0	2.3	95%	2.2
HF 2492	Justice Bill - Small Claims Filing Fee	0.0	0%	0.0	- 1.0	100%	- 1.0
SF 2417	Income & Sales Tax Modification	0.0	0%	0.0	- 100.1	100%	- 100.1
HF 2478	Construction Equipment Sales Tax	0.0	0%	0.0	- 0.4	100%	- 0.4
Subtotal Revenue Adjustment		<u>\$ 106.9</u>		<u>\$ 105.8</u>	<u>\$ 94.9</u>		<u>\$ 92.5</u>
Transfer from Economic Emergency Fund		\$ 0.0	100%	\$ 0.0	\$ 0.8	100%	\$ 0.8
Total Adjustments		<u>\$ 106.9</u>		<u>\$ 105.8</u>	<u>\$ 95.7</u>		<u>\$ 93.3</u>
Expenditure Limitation				<u><u>\$ 7,557.5</u></u>			<u><u>\$ 7,545.0</u></u>

State of Iowa Reserve Funds

(Dollars in Millions)

	Actual	FY 2018		FY 2019	
	FY 2017	Gov Rec	Legis. Action	Gov Rec	Legis. Action
Cash Reserve Fund (CRF)					
Funds Available					
Balance Brought Forward	\$ 539.2	\$ 422.4	\$ 422.4	\$ 442.4	\$ 442.4
Gen. Fund Appropriation from Surplus	44.1	0.0	0.0	3.6	31.7
Special General Fund Appropriation	0.0	20.0	20.0	55.5	113.1
Total Funds Available	<u>\$ 583.3</u>	<u>\$ 442.4</u>	<u>\$ 442.4</u>	<u>\$ 501.5</u>	<u>\$ 587.2</u>
Appropriations & Transfers					
General Fund Transfer	\$ - 131.1	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Excess Transferred to EEF	- 29.8	0.0	0.0	0.0	- 15.6
Total Appropriations & Transfers	<u>\$ - 160.9</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ - 15.6</u>
Balance Carried Forward	<u>\$ 422.4</u>	<u>\$ 442.4</u>	<u>\$ 442.4</u>	<u>\$ 501.5</u>	<u>\$ 571.6</u>
<i>Maximum 7.5%</i>	\$ 553.5	\$ 552.8	\$ 552.8	\$ 572.5	\$ 571.6
Economic Emergency Fund (EEF)					
	Actual	FY 2018		FY 2019	
	FY 2017	Gov Rec	Legis. Action	Gov Rec	Legis. Action
Funds Available					
Balance Brought Forward	\$ 189.9	\$ 182.9	\$ 182.9	\$ 181.7	\$ 181.7
Excess from Cash Reserve	29.8	0.0	0.0	0.0	15.6
Total Funds Available	<u>\$ 219.7</u>	<u>\$ 182.9</u>	<u>\$ 182.9</u>	<u>\$ 181.7</u>	<u>\$ 197.3</u>
Appropriations & Transfers					
Excess Transferred to Taxpayer Trust Fund	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Executive Council - Performance of Duty	- 5.6	- 14.2	- 14.2	- 6.0	- 6.0
Special Transfer to and from General Fund	- 13.0	13.0	13.0	0.0	0.0
Excess Transferred to General Fund	- 18.2	0.0	0.0	0.0	- 0.8
Balance Carried Forward	<u>\$ 182.9</u>	<u>\$ 181.7</u>	<u>\$ 181.7</u>	<u>\$ 175.7</u>	<u>\$ 190.5</u>
<i>Maximum 2.5%</i>	\$ 184.5	\$ 184.3	\$ 184.3	\$ 190.8	\$ 190.5
Combined Reserve Fund Balances					
	Actual	FY 2018		FY 2019	
	FY 2017	Gov Rec	Legis. Action	Gov Rec	Legis. Action
Cash Reserve Fund	\$ 422.4	\$ 442.4	\$ 442.4	\$ 501.5	\$ 571.6
Economic Emergency Fund	182.9	181.7	181.7	175.7	190.5
Total CRF and EEF	<u>\$ 605.3</u>	<u>\$ 624.1</u>	<u>\$ 624.1</u>	<u>\$ 677.2</u>	<u>\$ 762.1</u>
Statutory Maximum					
Cash Reserve Fund	\$ 553.5	\$ 552.8	\$ 552.8	\$ 572.5	\$ 571.6
Economic Emergency Fund	184.5	184.3	184.3	190.8	190.5
Total Statutory Maximum	<u>\$ 738.0</u>	<u>\$ 737.1</u>	<u>\$ 737.1</u>	<u>\$ 763.3</u>	<u>\$ 762.1</u>
Maximum less Fund Balance	<u>\$ - 132.7</u>	<u>\$ - 113.0</u>	<u>\$ - 113.0</u>	<u>\$ - 86.1</u>	<u>\$ 0.0</u>

Taxpayers Trust Fund

(Dollars in Millions)

	Actual	Est.	FY 2019	
	FY 2017	FY 2018	Gov Rec	Legis. Action
Funds Available				
Balance Brought Forward	\$ 8.2	\$ 8.3	\$ 8.3	\$ 8.3
Economic Emergency Transfer	0.0	0.0	0.0	0.0
Interest	0.1	0.0	0.0	0.0
Total Funds Available	<u>\$ 8.3</u>	<u>\$ 8.3</u>	<u>\$ 8.3</u>	<u>\$ 8.3</u>
Transfer to Tax Credit Fund	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Transfer the General Fund	\$ 0.0	\$ 0.0	\$ 0.0	\$ - 8.3
Reversion from Tax Credit Fund	0.0	0.0	0.0	0.0
Ending Balance	<u><u>\$ 8.3</u></u>	<u><u>\$ 8.3</u></u>	<u><u>\$ 8.3</u></u>	<u><u>\$ 0.0</u></u>

Adjusted Revenue Estimate and Reserve Fund Goal Calculations

(Dollars in Millions)

	FY 2016	FY 2017	FY 2018	FY 2019	
				Gov Rec	Legis. Action
REC Estimates	\$ 7,175.5	\$ 7,357.4	\$ 7,364.5	\$ 7,527.0	\$ 7,527.0
Revenue Adjustments	11.2	22.6	6.0	106.9	94.9
Adjusted Revenue Estimate	\$ 7,186.7	\$ 7,380.0	\$ 7,370.5	\$ 7,633.9	\$ 7,621.9
Reserve Fund Goals					
Cash Reserve Fund	\$ 539.0	\$ 553.5	\$ 552.8	\$ 572.5	\$ 571.6
Economic Emergency Fund	179.7	184.5	184.3	190.8	190.5
Total	\$ 718.7	\$ 738.0	\$ 737.1	\$ 763.3	\$ 762.1

State Tax Credit Expected Claims Projection

(Dollars in Millions)

Tax Credit Program	Actual FY 2017	Est FY 2018	Est FY 2019
<u>Capped Programs</u>			
Historic Preservation and Cultural and Entertain. Dist. Tax Credit	\$ 43.7	\$ 59.5	\$ 64.5
High Quality Jobs Program	20.2	49.5	43.1
Workforce Housing Tax Incentive Program	0.2	12.6	17.1
School Tuition Organization Tax Credit	11.4	11.4	11.4
Enterprise Zone Program – Housing Component	9.2	10.6	6.0
All Other Programs	34.7	41.7	40.9
Total Capped Programs	<u>\$ 119.3</u>	<u>\$ 185.3</u>	<u>\$ 183.1</u>
<u>Uncapped Programs</u>			
Earned Income Tax Credit	\$ 69.6	\$ 69.6	\$ 68.0
Research Activities Tax Credit	51.8	87.2	69.1
Iowa Industrial New Jobs Training Program (260E)	39.3	43.2	43.3
Biodiesel Blended Fuel Tax Credit	17.6	17.0	18.5
Tuition and Textbook Tax Credit	15.3	14.9	14.9
All Other Programs	27.2	27.7	26.0
Total Uncapped Programs	<u>\$ 220.9</u>	<u>\$ 259.6</u>	<u>\$ 239.8</u>
Tax Credit Program Total	<u>\$ 340.3</u>	<u>\$ 444.9</u>	<u>\$ 422.9</u>

Notes:

These estimates are based on the Tax Credit Expected Claims Projection published by the Department of Revenue in March 2018 in the Tax Credits Contingent Liabilities Report. The table above reflects the tax credits that are likely to be claimed in a given fiscal year based on previous year. The projected claims are incorporated in the FY 2018 and FY 2019 REC revenue estimates.

The numbers may not equal totals due to rounding.