

# **Legislative Services Agency Fiscal Services Division**

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## **FY 2013 Budget Overview Presentation to the Mental Health and Disability Services Study Committee**

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# Legislative Services Agency Fiscal Services Division

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- Non-partisan agency of the Legislature
- Provide objective fiscal analysis to both chambers and all political parties on legislation and legislative proposals

# General Fund Revenues

### FY 2011 Actual Compared to Estimate

	FY 2011 REC Estimate *	FY 2011 Actual	Impact on FY 2011 Ending Balance
Tax Receipts, Cash Basis	\$ 6,631.8	\$ 6,680.1	\$ 48.3
Other Receipts, Cash Basis	\$ 324.4	\$ 338.4	\$ 14.0
Regular Tax Refunds	\$ (826.0)	\$ (826.0)	\$ -
School Infrastructure Refunds	\$ (398.1)	\$ (394.1)	\$ 4.0
Accrued Revenue Adjustment	\$ 13.9	\$ 15.0	\$ 1.1
Transfers	\$ 88.4	\$ 85.6	\$ (2.8)
	<u>\$ 5,834.4</u>	<u>\$ 5,899.0</u>	<u>\$ 64.6</u>

The March 2011 FY 2011 revenue estimate has been adjusted for negative \$21.2 million in post-REC Legislative changes.

## FY 2012 Year-to-Date Compared to FY 2011

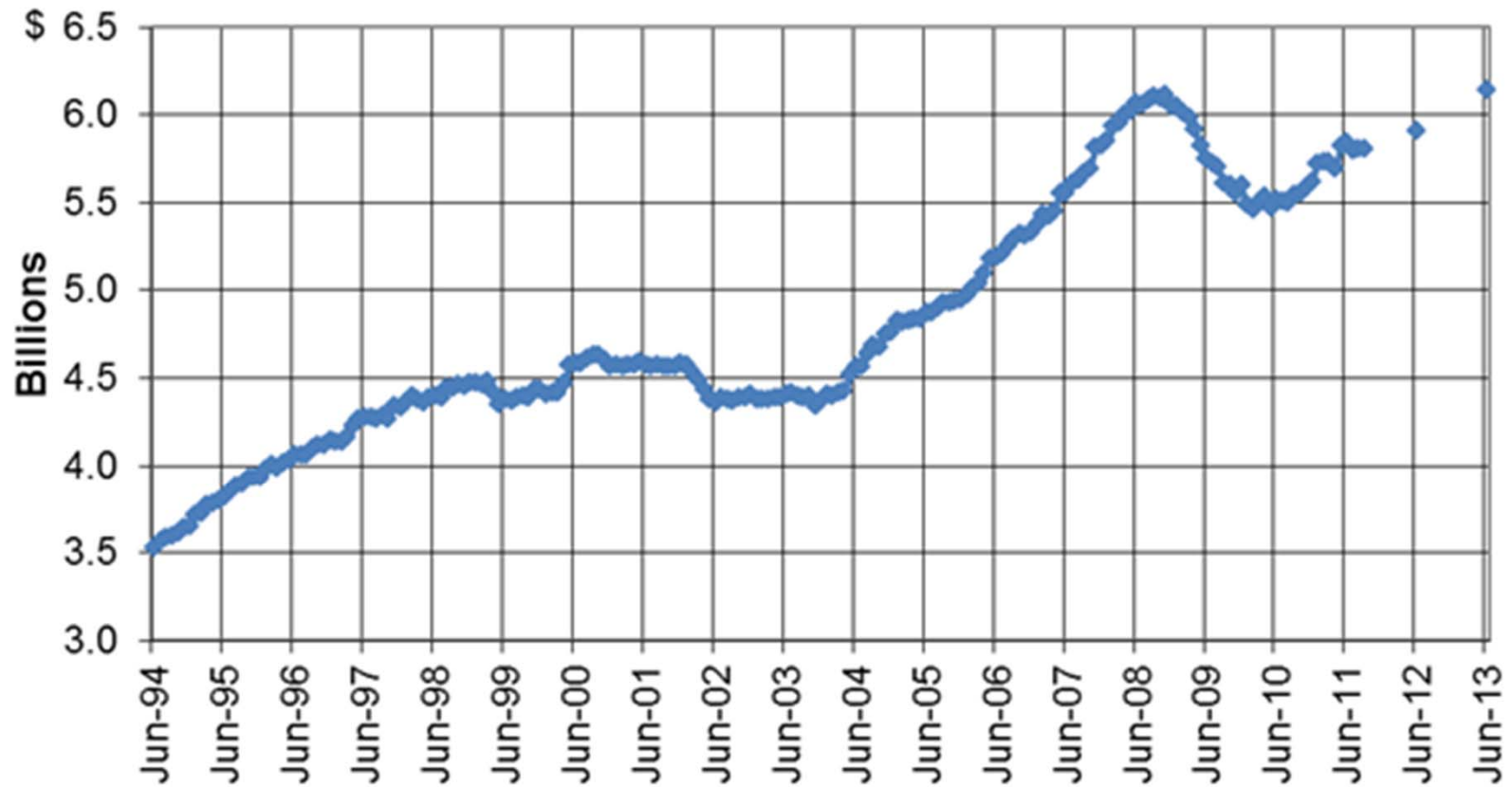
Cash Basis

	FY 2011 Through October 14	FY 2012 Through October 14	Year to Date \$ Change	Year to Date % Change
Income Tax	\$ 854.9	\$ 906.8	\$ 51.9	6.1%
Sales/Use Tax	\$ 621.3	\$ 629.5	\$ 8.2	1.3%
Corporate Tax	\$ 95.3	\$ 115.5	\$ 20.2	21.2%
Cigarette/Tobacco	\$ 69.9	\$ 2.5	\$ (67.4)	-96.4%
Other Taxes	\$ 84.1	\$ 86.0	\$ 1.9	2.3%
Regular Tax Refunds	\$ (99.8)	\$ (120.2)	\$ (20.4)	20.4%
School Infrastructure Refunds	\$ (99.7)	\$ (123.6)	\$ (23.9)	24.0%
Total Taxes	\$ 1,526.0	\$ 1,496.5	\$ (29.5)	-1.9%
Other Receipts	\$ 65.4	\$ 71.7	\$ 6.3	9.6%
Total, Net of Refunds	<u>\$ 1,591.4</u>	<u>\$ 1,568.2</u>	<u>\$ (23.2)</u>	<u>-1.5%</u>
			Cig/Tobacco Adjusted Total ----> \$ 41.1	
			Adjusted % Growth thru Oct. 14th ----> 2.6%	

### State General Fund Revenue in Millions of Dollars

	<u>Actual</u> <u>FY 2007</u>	<u>Actual</u> <u>FY 2008</u>	<u>Actual</u> <u>FY 2009</u>	<u>Actual</u> <u>FY 2010</u>	<u>Actual</u> <u>FY 2011</u>	<u>Estimated</u> <u>FY 2012</u>	<u>Estimated</u> <u>FY 2013</u>
Individual Income	\$3,085.9	\$3,359.7	\$3,330.7	\$3,235.9	\$3,461.7	\$3,590.2	\$3,731.4
Sales/Use	1,910.1	2,000.2	2,327.4	2,293.0	2,381.4	2,433.0	2,503.8
Corporate Income	424.6	483.8	416.5	389.3	394.5	432.7	479.8
Cigarette/Tobacco	134.1	250.7	238.8	232.1	227.3	117.6	113.9
Other Taxes	229.8	243.2	216.2	201.6	215.2	221.0	230.6
Tax Refunds	-597.9	-674.8	-1,189.7	-1,231.6	-1,220.1	-1,258.5	-1,287.2
Net Taxes	<u>\$5,186.6</u>	<u>\$5,662.8</u>	<u>\$5,339.9</u>	<u>\$5,120.3</u>	<u>\$5,460.0</u>	<u>\$5,536.0</u>	<u>\$5,772.3</u>
Other Receipts	353.7	380.8	391.9	359.3	338.4	342.6	338.3
Accruals	37.4	-24.0	17.2	13.1	15.0	16.6	18.1
Net Revenue, Excl. Transfers	<u>\$5,577.7</u>	<u>\$6,019.6</u>	<u>\$5,749.0</u>	<u>\$5,492.7</u>	<u>\$5,813.4</u>	<u>\$5,895.2</u>	<u>\$6,128.7</u>
Transfers	68.6	64.9	185.0	140.9	85.6	79.7	81.2
Net Revenue	<u><u>\$5,646.3</u></u>	<u><u>\$6,084.5</u></u>	<u><u>\$5,934.0</u></u>	<u><u>\$5,633.6</u></u>	<u><u>\$5,899.0</u></u>	<u><u>\$5,974.9</u></u>	<u><u>\$6,209.9</u></u>
<b><i>Growth, Excluding Transfers</i></b>	<b><i>\$339.2</i></b>	<b><i>\$441.9</i></b>	<b><i>-\$270.6</i></b>	<b><i>-\$256.3</i></b>	<b><i>\$320.7</i></b>	<b><i>\$81.8</i></b>	<b><i>\$233.5</i></b>
Growth, Including Transfers	\$263.8	\$438.2	-\$150.5	-\$300.4	\$265.4	\$75.9	\$235.0

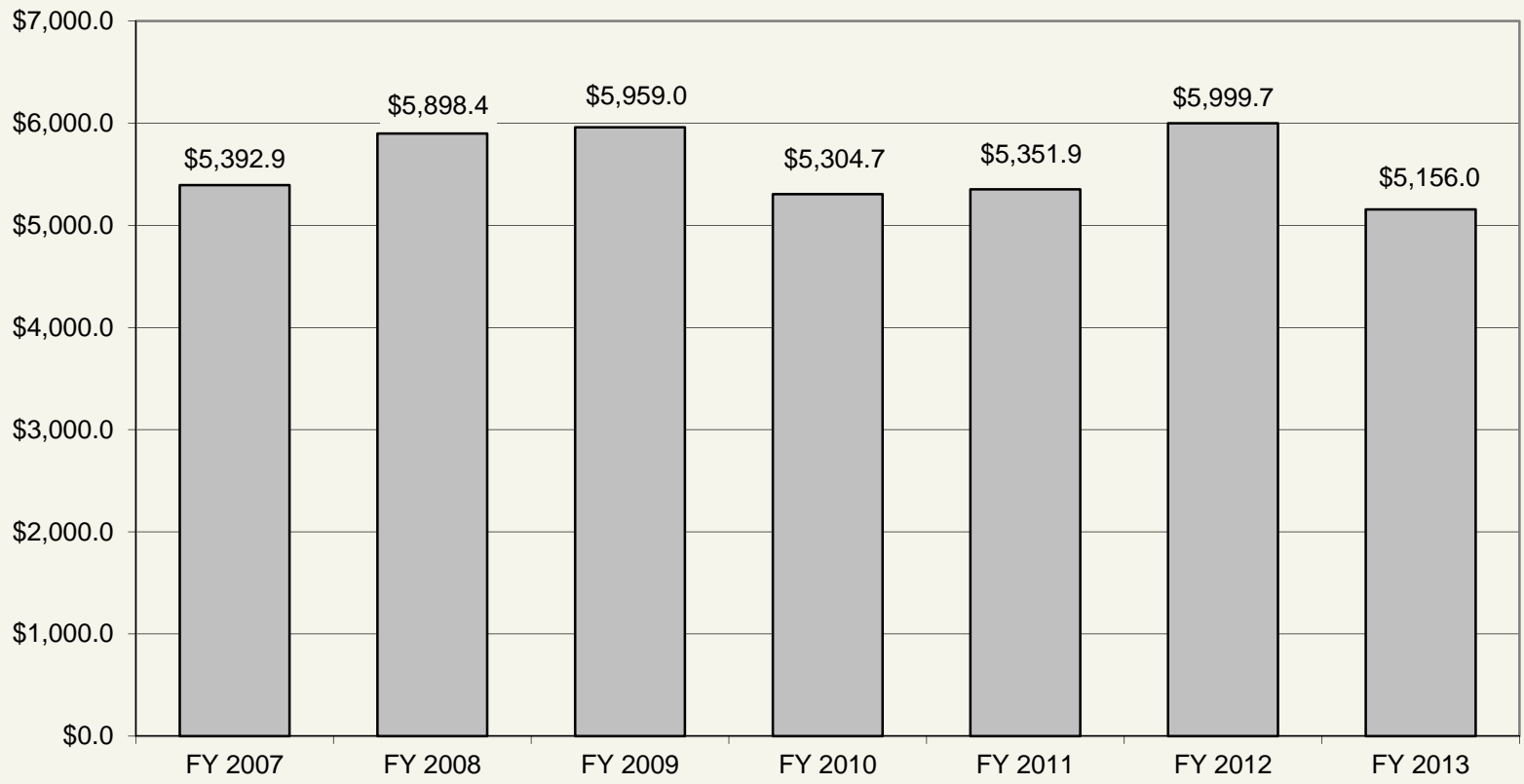
### Iowa General Fund Revenue 12-Month Moving Net Revenue Total



# General Fund Appropriations



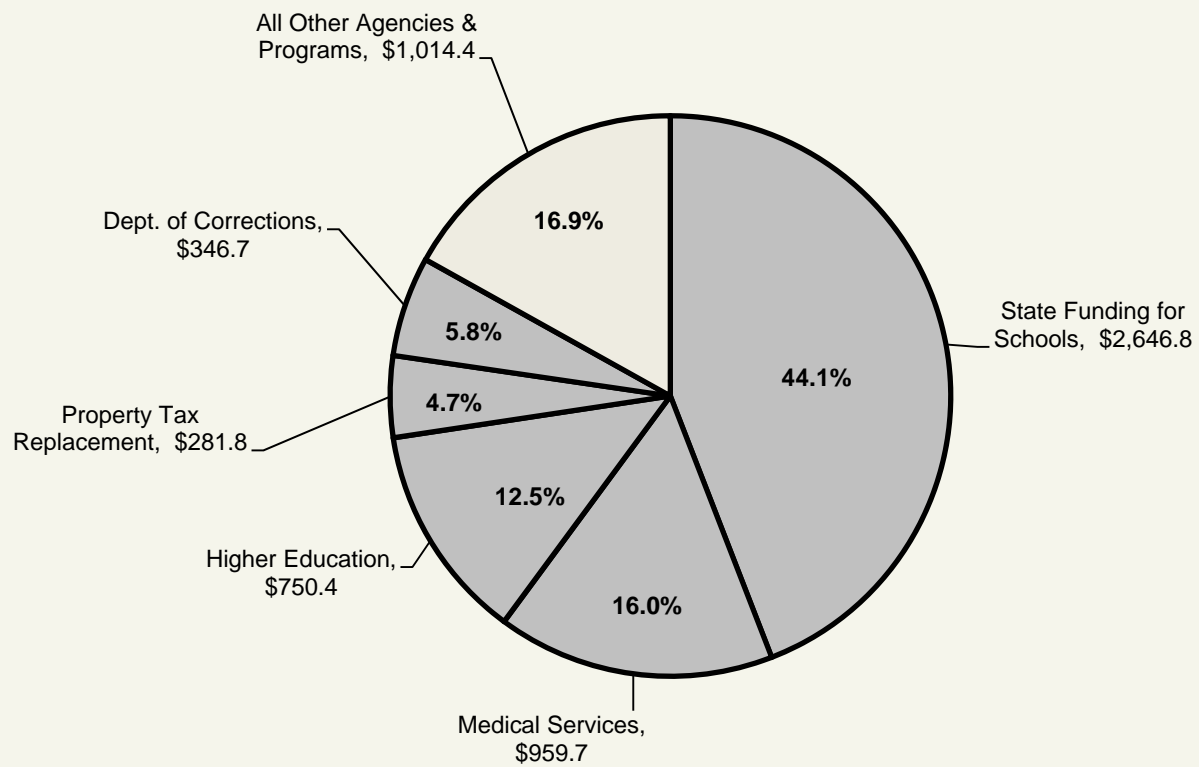
**State General Fund Appropriations**  
(in millions)



# FY 2012 General Fund Appropriations

(Dollars in Millions)

Total: \$5,999.7 million



# FY 2013 Budget Projection

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## **Purpose:**

- Provides a framework or “starting point” for the General Assembly to begin identifying actions needed to balance next year’s budget.

# FY 2013 Budget Projection

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## Assumptions:

- Revenue:
  - REC Net General Fund Revenue Estimate
- Baseline Appropriations:
  - Enacted Appropriations for FY 2013
  - Amount needed to restore appropriations to the FY 2012 level
- Built-in and Anticipated Appropriation Changes

# FY 2013 Budget Projection

## FY 2013 General Fund Appropriation Projection

(Dollars in Millions)

	<u>FY 2013</u>
Appropriations @ or Above 100% of FY 2012	\$ 4,096.0
Appropriations @ 50% of FY 2012	<u>1,060.0</u>
Total Enacted FY 2013 Appropriations	<u>\$ 5,156.0</u>
 <i>Assumptions for Estimating Purposes</i>	
Restoration of Approp. Funded @ 50%	1,060.5
Built-in and Anticipated Increases	295.6
Total Projected FY 2013	<u><u>\$ 6,512.1</u></u>

# FY 2013 Built-in and Anticipated Expenditures

(Dollars in Millions)

## Built-in Changes

	<u>FY 2013</u>
Human Services - Medical Assistance	\$ 102.0
Management - State Appeal Board Claims	7.2
Human Services - hawk-i	7.0
Human Services - Dental Home	5.0
Judicial Branch - Jury Witness Fee Revolving Fund	0.8
Education - K-12 School Foundation Aid	-6.8
Subtotal	<u>\$ 115.2</u>

## Anticipated Expenditure Changes

Collective Bargaining Salary Costs	102.6
Human Services - Mental Health Allowed Growth	30.0
Corrections - Staff Additional CBC and Prison Beds	19.1
Human Services - State Resource Centers (Current Bed Level)	7.4
Human Services - Child Care Assistance	7.2
State Public Defender/Indigent Defense	5.0
Other	9.1
Subtotal	<u>\$ 180.4</u>

## **Total Estimated Expenditure Increases**

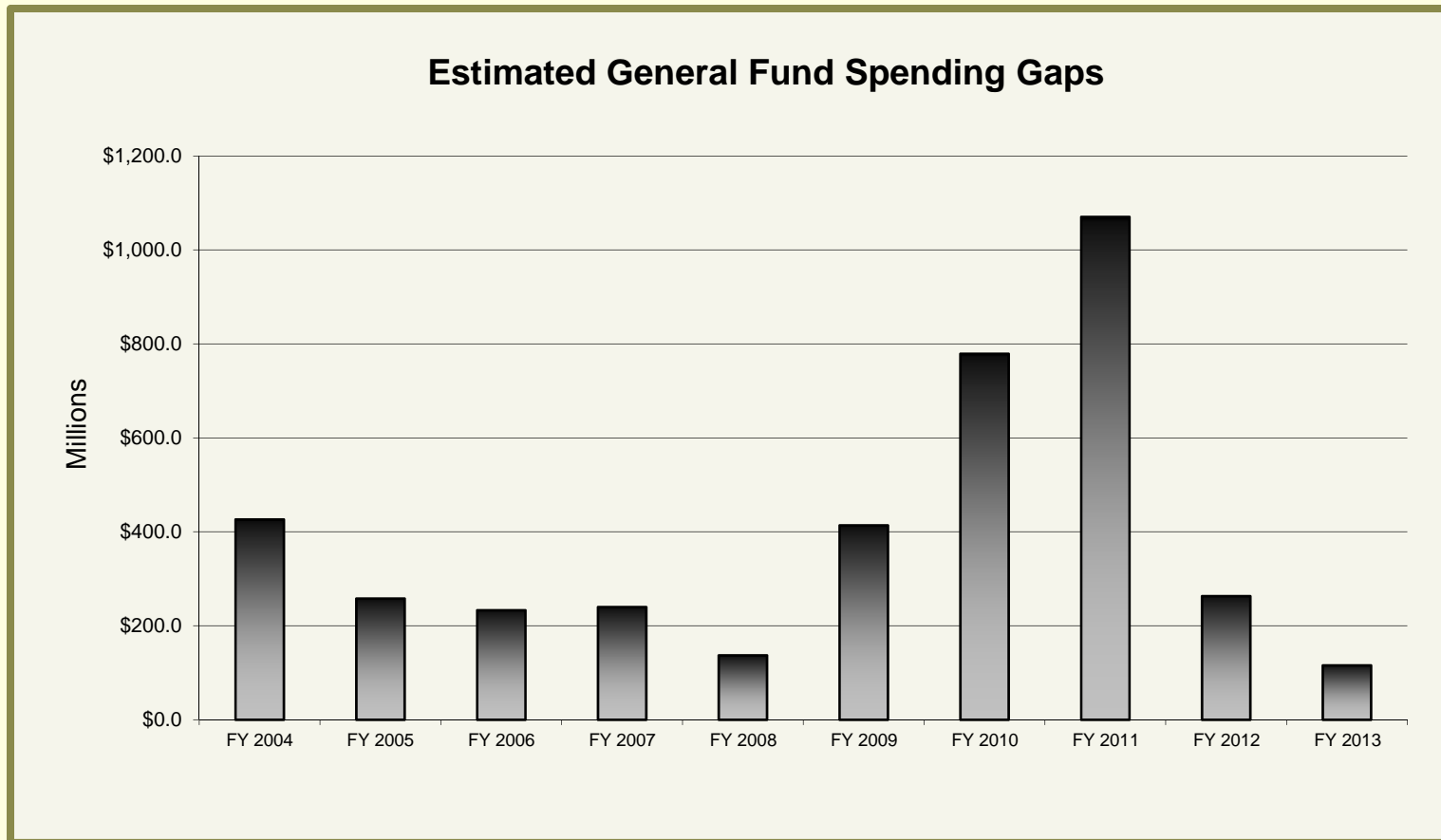
**\$ 295.6**

**STATE OF IOWA**  
**Projected Condition of the General Fund Budget**

(Dollars in Millions)

	<u>Actual</u> <u>FY 2011</u>	<u>Estimated</u> <u>FY 2012</u>	<u>Projected</u> <u>FY 2013</u>
<b>Funds Available:</b>			
Net Receipts	\$5,899.0	\$ 5,974.9	\$ 6,209.9
Economic Emergency Fund Transfer		357.2	248.7
<b>Total Funds Available</b>	<u>\$5,899.0</u>	<u>\$ 6,332.1</u>	<u>\$ 6,458.6</u>
<b>Expenditure Limitation</b>			<b>\$ 6,396.5</b>
<b>Estimated Appropriations and Expenditures:</b>			
Enacted Appropriations	\$5,351.9	\$ 5,999.7	\$ 5,156.0
<i>Assumptions for Estimating Purposes</i>			
<i>Restoration of Approp. Funded @ 50%</i>			1,060.5
<i>Built-in and Anticipated Increases</i>			295.6
Appropriation Total Before Balance Adj.	<u>\$5,351.9</u>	<u>\$ 5,999.7</u>	<u>\$ 6,512.1</u>
Est. Adjustment to Balance Budget			<b>- 115.6</b>
<b>Total Appropriations</b>	<u>\$5,351.9</u>	<u>\$ 5,999.7</u>	<u>\$ 6,396.5</u>
Reversions	- 7.5	- 2.0	- 2.0
<b>Net Appropriations</b>	<u>\$5,344.4</u>	<u>\$ 5,997.7</u>	<u>\$ 6,394.5</u>
<b>Ending Balance - Surplus</b>	<u>\$ 554.6</u>	<u>\$ 334.4</u>	<u>\$ 64.1</u>

# FY 2013 Budget Projection





# Reserve Fund Balances

(Dollars in Millions)

	Actual	Est.	Est.
	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Cash Reserve Fund	\$ 337.7	\$ 446.6	\$ 466.0
Economic Emergency Fund	<u>99.1</u>	<u>148.9</u>	<u>155.3</u>
Total	<u>\$ 436.8</u>	<u>\$ 595.5</u>	<u>\$ 621.3</u>

# Fiscal Services Division Website

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All official documents of the Fiscal Services Division are published electronically at:

<http://www.legis.iowa.gov/LSAReports/infoLegislation.aspx>