

Handouts
2nd Meeting

See

PUBLIC FINANCE

EDUCATION INFORMATION

A. Description and components of the school aid formula.

1. Allowable growth
2. Historical data

B. Local school district spending

C. Area Education Agencies (AEAs)

1. Historical perspective
2. Source and use of funds

D. Special education funding

E. Merged Area Schools (Community Colleges)

1. Historical perspective
2. Funding formula (Current and future)
3. Source and use of funds

Handwritten: Iowa 1st meeting

PUBLIC FINANCE TASK FORCE

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Chairman of the Board
Security State Bank
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12 Scott Street
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(Over)

Kay Chapman
House of Representatives
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President, Younkers
7th & Walnut
Des Moines, Iowa 50309
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State Treasurer
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* Member - Governor's Blue Ribbon Committee

Inf. Meeting 1:
8/30

Develop work plan and establish subcommittees;
Identify areas of greatest consideration for
review

Inf. Meeting 2:
by 9/15

Receive reports on Iowa's current situation,
prior plans, studies and recommendations and
other states' practices; develop final list of
areas for review; subcommittees begin to
evaluate alternatives

Meeting 3:
by 10/1

Continue subcommittee work on alternatives;
begin to consider input from other Task Forces

Meeting 4:
by 10/15

Finish subcommittee work; reports from
subcommittees to the Task Force; finish
considering input from other Task Forces;
evaluate alternatives; develop draft
recommendations

Review Meeting 5:
by 11/1

Review Draft Report

Report Meeting 6:
by 11/15

Approve and issue Final Report

Public Financing Task Force Draft Work Plan, August 19, 1991

Task Force Background

The Public Financing Task Force is to examine funding sources and uses for government programs which are the principal recipients of state and local expenditures. (In terms of the State General Fund, this means education, health and human services). Other subjects to be reviewed by the Task Force include programs for which costs have increased substantially in recent years, all standing unlimited or standing limited appropriations and formulas, tax expenditures, and policies relating to fees and charges associated with specific public functions.

The Task Force will also review the recommendations or issues developed by the other six Task Forces as they relate to the subject of public financing.

Staffing

Staff for the Task Force will be provided by the Departments of Economic Development, Management and Revenue and Finance.

Process and Timeline

In order to meet the schedule of the Governor's Committee on Spending Reform Project, the Public Financing Task Force must issue and deliver its Final Report no later than Friday November 15, 1991. The Task Force will have six meetings between August 29 and November 15--about one every two weeks. The first two meetings will be primarily informational. The next two will involve the development of alternatives for expenditure reductions by several subcommittees. At the last two meetings, the report of the Task Force will be reviewed and approved for issuance. A proposed schedule is provided on the next page:

**PUBLIC FINANCING TASK FORCE:
AREAS FOR CONSIDERATION**

- I. Education
 - School Aid Formula
 - Merged Area Schools
 - Allowable Growth
 - Educational Excellence
 - Instructional Support
 - College Tuition Aid
 - Child Development

- II. Human Services
 - ADC
 - Medicaid
 - Juvenile Justice
 - Mental Health
 - Foster Care
 - Corrections

- III. Local Government Finances
 - Budgeting Practices
 - Property Tax Relief
 - Fees in Lieu of Services
 - Targeting Local Aid Based on Need and Effort
 - More Flexible Local Taxation

- IV. Tax Expenditures
 - Tax Deductions
 - Tax Credits

- V. Fees, Charges and Tuition

- VI. Debt Financing

- VII. Miscellaneous
 - Other Standing Appropriations

ESTIMATED TOTAL STATE AND LOCAL EXPENDITURES
FY 1990
(\$ billions)

TOTAL EXPENDITURES - INCLUDES \$.7 IN FEDERAL FUNDS		\$3.8
ADDITIONAL GAAP GENERAL FUNDS:		
ROAD USE TAX FUND		\$1.0
PRIMARY ROAD FUND	0.4	
OTHER	0.3	
	0.3	
TOTAL GENERAL FUND EXPENDITURES AND OTHER FINANCING USES - GAAP BASIS -		\$4.8
OTHER FUND TYPE EXPENDITURES:		
UNIVERSITY	1.5	
ENTERPRISE	0.3	
INTERNAL SERVICE	0.1	
EXPENDABLE TRUST	0.3	
NONEXPENDABLE TRUST	0.1	
TOTAL STATE EXPENDITURES		\$7.1
LOCAL EXPENDITURES		\$3.6
COMPREHENSIVE STATE AND LOCAL EXPENDITURES		\$10.7

STATE OF IOWA DEBT FINANCING

(\$ thousands)

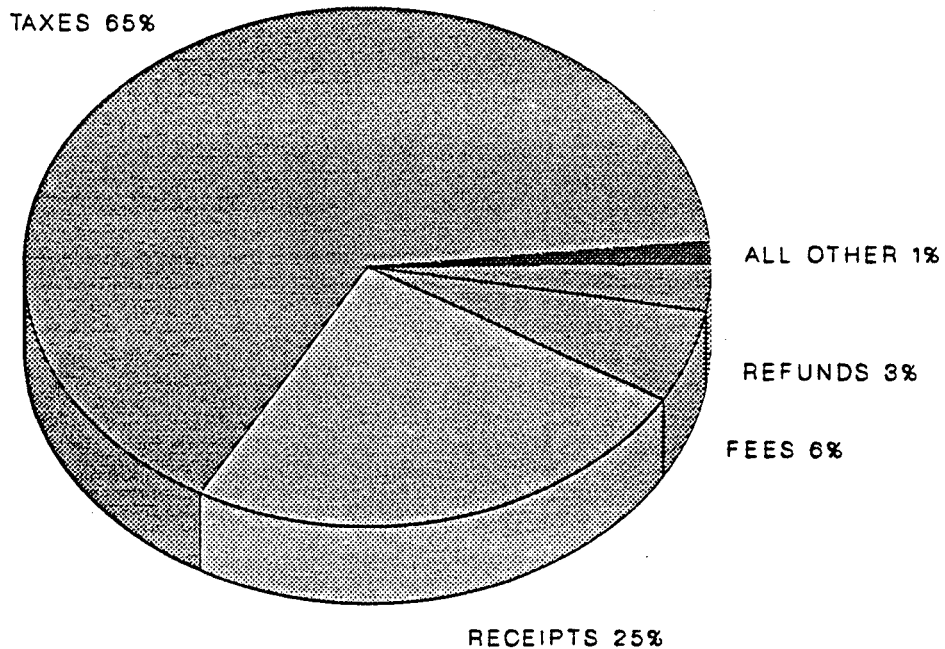
	PRINCIPAL	INTEREST	TOTAL
CAPITAL LEASES			
GENERAL	\$12,507	\$3,104	\$15,611
ENTERPRISE	51	11	62
INTERNAL SERVICE	4,299	814	5,113
UNIVERSITY	<u>30,085</u>	<u>15,446</u>	<u>45,531</u>
Subtotal	46,942	19,375	66,317
INSTALLMENT PURCHASES			
GENERAL	5,408	765	6,173
ENTERPRISE	<u>5</u>	=	<u>5</u>
Subtotal	5,413	765	6,178
BONDS PAYABLE			
GENERAL	11,904	5,611	17,515
ENTERPRISE	590,091	-	590,091
UNIVERSITY	<u>470,685</u>	<u>335,105</u>	<u>805,790</u>
Subtotal	1,072,680	340,716	1,413,396
TAX & REVENUE ANTICIPATION NOTES (TRANS)			
GENERAL			<u>280,000</u>
LOANS & CONTRACTS			
GENERAL	4,241	4,076	8,317
ENTERPRISE	82	16	98
UNIVERSITY	<u>6,769</u>	<u>1,349</u>	<u>8,118</u>
Subtotal	11,092	5,441	16,533
CERTIFICATES OF PARTICIPATION (COPS)			
GENERAL	<u>2,272</u>	<u>1,365</u>	<u>3,637</u>
GRAND TOTAL	\$1,138,399	\$367,662	\$1,786,061

* - amounts do not include interest requirements of the Iowa Finance Authority or the Iowa Higher Education Loan Authority, which are not available due to the bonds' variable interest rates.

GENERAL FUND - REVENUE BY CATEGORY

(Expressed In Thousands)

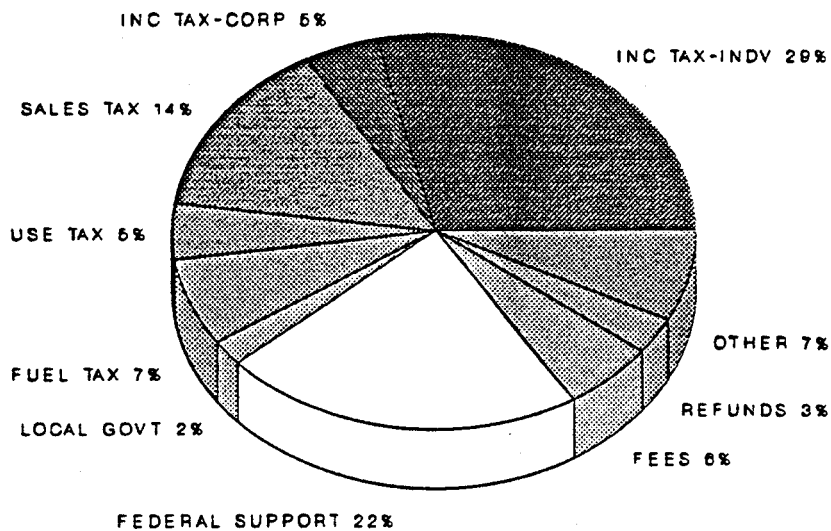
TAXES	\$3,282,926
RECEIPTS FROM OTHER ENTITIES	1,238,925
FEES, LICENSES & PERMITS	288,837
REFUNDS & REIMBURSEMENTS	147,403
ALL OTHER	<u>79,335</u>
GROSS REVENUES	5,037,426
LESS REVENUE REFUNDS	<u>277,111</u>
NET REVENUES	<u>\$4,760,315</u>



GENERAL FUND - REVENUE BY CLASS

(Expressed In Thousands)

INCOME TAX - INDIVIDUALS	\$1,441,831
FEDERAL SUPPORT	1,132,063
SALES TAX	729,098
FUEL TAX	357,085
FEES, LICENSES & PERMITS	288,837
USE TAX	233,203
INCOME TAX - CORPORATIONS	230,704
REFUNDS & REIMBURSEMENTS	147,403
LOCAL GOVERNMENTS	103,535
ALL OTHER	<u>373,667</u>
 GROSS REVENUES	 <u>\$5,037,426</u>



DEPARTMENT OF REVENUE AND FINANCE

AUGUST 29, 1991

GAAP BACKGROUND

1. WHY GAAP - NATIONAL LEVEL
2. GOVERNMENTAL ENVIRONMENT
3. OVERVIEW OF GOVERNMENT ACCOUNTING
4. WHY GAAP - STATE LEVEL
 - TAX AND REVENUE ANTICIPATION NOTES (TRANS) ISSUANCE
5. GAAP LEGISLATION
6. COMMITTEES

GENERALLY

ACCEPTED

ACCOUNTING

PRINCIPLES

WHY GAAP - NATIONAL LEVEL

- INCREASED ATTENTION BY NCGA AND AICPA.
- MID 70'S - FINANCIAL CRISIS HIT SEVERAL CITIES, SUCH AS NEW YORK AND CLEVELAND.
- 1980 - STANDARD AND POORS ADOPTED GAAP POLICY STATEMENT.
- 1984 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) CREATED.

GOVERNMENTAL ENVIRONMENT

- 78,000 UNITS OF STATE AND LOCAL GOVERNMENTS
- VARY SIGNIFICANTLY IN SIZE AND FUNCTIONS
- STATE TO STATE DIFFERENCES IN FUNCTIONS
- U.S. CONSTITUTION GRANTS FEDERAL GOVERNMENT SPECIFIC POWERS
- STATES GRANTED OTHER POWERS, INCLUDING REGULATION OF LOCAL GOVERNMENTS
- RESULT - NOT MUCH ATTENTION PAID TO ACCOUNTING NATIONWIDE
- UNTIL RECENTLY

OVERVIEW OF GOVERNMENTAL ACCOUNTING

- SOME SAY GOVERNMENTAL ACCOUNTING IN ITS INFANCY
 - FIRST ORGANIZED EFFORT - NATIONAL COMMITTEE ON MUNICIPAL ACCOUNTING, 1934. .SPONSORED BY MFOA
 - NAME CHANGED SEVERAL TIMES. LATEST. .NATIONAL COUNCIL ON GOVERNMENTAL ACCOUNTING (NCGA)
 - PUBLICATIONS:
 - GAAFR 1968 (NOT TO BE CONFUSED WITH GAAFR 80)
 - NCGA STATEMENT 1 1979
 - STATEMENTS AND INTERPRETATIONS 2-11 TO DATE
 - DISBANDED IN 1984 WHEN GASB CREATED
 - AICPA PUBLICATIONS;
 - AUDIT GUIDE 1974
 - SOP 80-2, 1980. .TO INCORPORATE STATEMENT 1

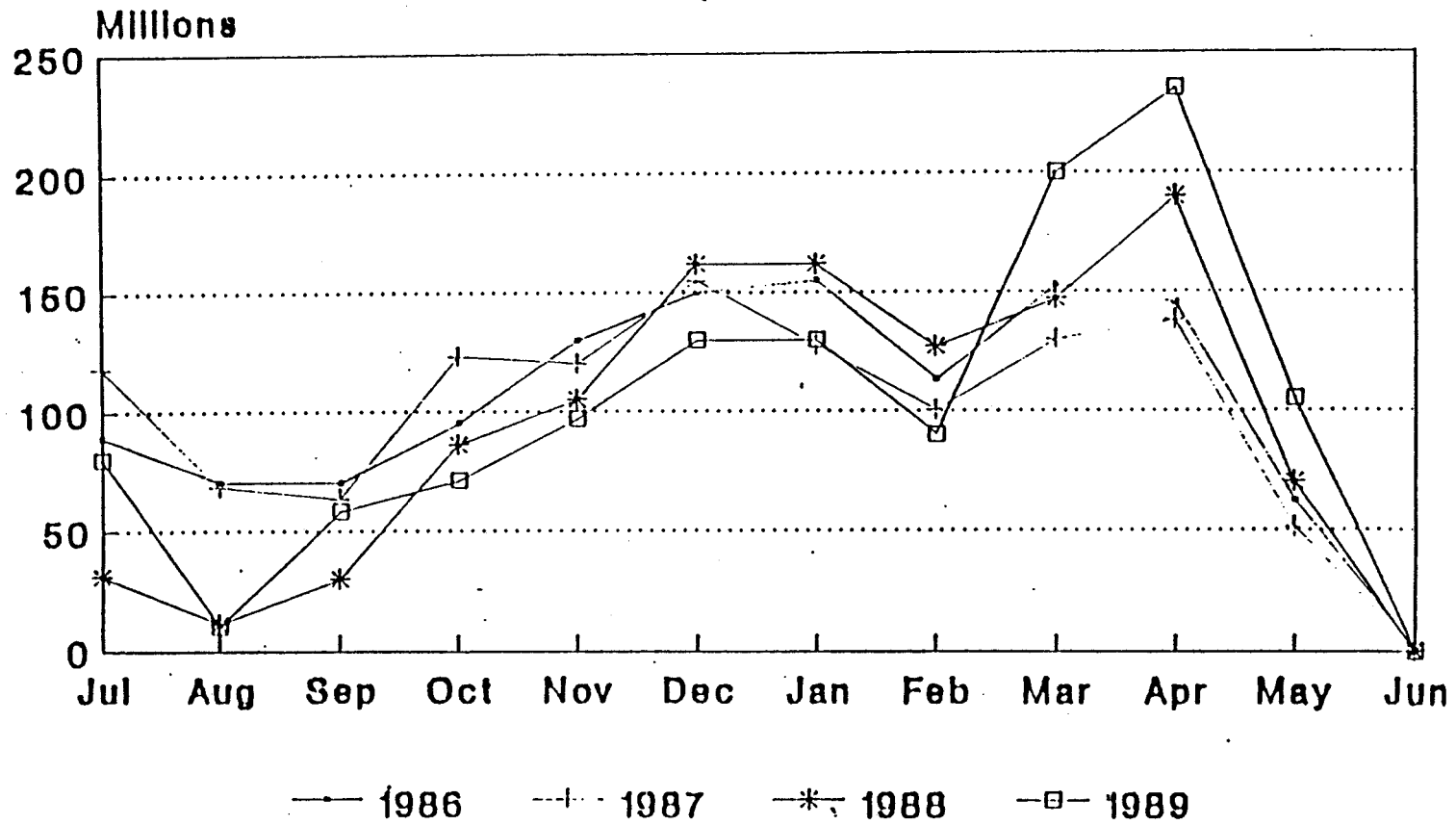
OVERVIEW OF GOVERNMENTAL ACCOUNTING

- GOVERNMENTAL ACCOUNTING STANDARDS BOARD CREATED IN 1984
 - UNDER FINANCIAL ACCOUNTING FOUNDATION
 - INTENT TO WORK CLOSELY WITH FASB
 - FIVE MEMBERS
 - 23 PERSON ADVISORY COUNCIL (GASAC)
 - CONSULTS GASB ON PRIORITIES AND AGENDA
 - APPROVES FAF NOMINATIONS TO GASB
 - RESPONSIBLE FOR FUNDING
 - GASB SETS STANDARDS FOR OF GOVERNMENTS
 - GASB STATEMENT 1 ADOPTED ALL PREVIOUS NCGA STATEMENTS AND PROVISIONS OF AICPA AUDIT GUIDE
 - SEPERATELY ISSUED GPFS OF GOVERNMENTAL ENTITIES
 - LOOK TO FASB FOR GUIDANCE UNLESS GASB HAS ISSUED STANDARD. SAME FOR TRANSACTIONS NOT COVERED BY GASB
 - RECENT CONFLICT RE COLLEGES AND UNIVERSITIES
 - CONCERN THAT COLLEGES AND UNIVERSITIES CAN'T HAVE TWO SETS OF STANDARDS

WHY GAAP - STATE LEVEL

- STATE BEGAN ACCRUING REVENUES IN FY83.
- IOWA FINANCIAL ACCOUNTING SYSTEM (IFAS) IMPLEMENTED JULY 1, 1983.
- LEGISLATION ENACTED IN THE SPRING OF 1985 TO ALLOW THE STATE TO ISSUE TAX AND REVENUE ANTICIPATION NOTES (TRANS).
- STATE FINANCIAL DATA PREPARED FOR THE BOND RATING FIRMS OF MOODY'S AND STANDARD AND POORS.
- GAAP LEGISLATION INCLUDED IN STATE GOVERNMENT REORGANIZATION BILL.

General Fund Cumulative Trans Borrowing



GAAP LEGISLATION

SECTION 2046. SECTION 421.31, SUBSECTION 4, IN ITS REQUIREMENT THAT THE GOVERNMENT'S ACCOUNTS BE IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, TAKES EFFECT WITH THE FISCAL YEAR BEGINNING JULY 1, 1991.

THE GOVERNOR, AUDITOR OF STATE AND THE DEPARTMENT OF MANAGEMENT SHALL PHASE IN THE IMPLEMENTATION OF GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, AS DEFINED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD, WHICH INCLUDES FUND RECLASSIFICATIONS, REVENUE RECOGNITION, AND RECOGNITION OF ALL APPROPRIATE LIABILITIES BEGINNING WITH THE FISCAL YEAR BEGINNING JULY 1, 1987.

THE FISCAL IMPACT TO THE STATE GENERAL FUND OF IMPLEMENTING FUND RECLASSIFICATIONS, AND RECOGNIZING ADDITIONAL LIABILITIES SHALL BE PHASED IN ACCORDING TO THE FOLLOWING SCHEDULE FOR THE FISCAL YEARS BEGINNING JULY 1,:

1987	TEN PERCENT
1988	TWENTY PERCENT
1989	FORTY PERCENT
1990	SIXTY PERCENT
1991	EIGHTY PERCENT
1992	ONE HUNDRED PERCENT

GAAP

SECTION 421.31 OF THE CODE:

POWERS AND DUTIES:

"....TO KEEP THE....ACCOUNTS OF THE STATE IN ACCORDANCE
WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES...."

**GAAP
OVERSIGHT COMMITTEE**

**GRETCHEN TEGELER, ACTING DIRECTOR
DEPARTMENT OF MANAGEMENT**

CHAIRPERSON

**DAVID ROEDERER, EXECUTIVE ASSISTANT
OFFICE OF THE GOVERNOR**

**RICHARD JOHNSON, AUDITOR OF STATE
AUDITOR OF STATE'S OFFICE**

**GERALD BAIR, DIRECTOR
DEPARTMENT OF REVENUE AND FINANCE**

COMMITTEE RESPONSIBILITIES:

**THE COMMITTEE HAS THE AUTHORITY FOR ALL DECISIONS REGARDING
THE IMPLEMENTATION OF GAAP FOR THE STATE OF IOWA, AND HAS THE
ULTIMATE RESPONSIBILITY TO MAKE SURE THE PROVISIONS OF SENATE
FILE 2175, SECTION 2046 ARE IMPLEMENTED.**

**GAAP
STEERING COMMITTEE**

**ELDON SPERRY
DEPARTMENT OF REVENUE AND FINANCE**

CHAIRPERSON

**KASEY KIPLINGER
AUDITOR OF STATE'S OFFICE**

ASSISTANT CHAIRPERSON

**BRAD HUDSON
BOARD OF REGENTS**

**ROGER LIVELY
IOWA STATE UNIVERSITY**

**RON AMOSSON
DEPARTMENT OF MANAGEMENT**

**DENNIS WILLADSEN
DEPARTMENT OF TRANSPORTATION**

**BOB MILLER
DEPARTMENT OF HUMAN SERVICES**

COMMITTEE RESPONSIBILITIES:

THE COMMITTEE WILL BE RESPONSIBLE FOR PROVIDING GUIDANCE AND DIRECTION TO THE GAAP PROJECT TEAM IN THE DAY-TO-DAY ACTIVITIES OF THE GAAP IMPLEMENTATION PROJECT, AND WILL BE RESPONSIBLE FOR MAKING RECOMMENDATIONS AND ADVISING THE GAAP OVERSIGHT COMMITTEE ON THE PROGRESS OF THE GAAP IMPLEMENTATION.

Education

	<u>Pages</u>
Funding Elementary and Secondary Education	1 - 3
State Foundation Aid/Certified Enrollment FY 85 - FY 91	4
State Aid/Property Taxes - Merged Area Schools FY 86 - FY 91	5
State College Tuition Aid FY 86 - FY 91	6

FY91 K - 12 Schools

<u>Enrollment Size</u>	<u>Number of Districts</u>	<u>Percent of Total</u>	<u>State Aid *</u>	<u>Percent of Total</u>	<u>Expenditures</u>	<u>Certified Enrollement</u>	<u>Percent of Total</u>
< 300	76	17.7%	\$32,962,563	3.1%	\$94,516,081	16,745	3.5%
300 < 600	161	37.4%	\$147,521,287	14.1%	\$358,437,861	71,331	14.9%
600 < 1000	88	20.5%	\$140,743,801	13.4%	\$319,315,618	66,120	13.8%
1000 < 4000	85	19.8%	\$313,992,484	29.9%	\$709,055,660	144,692	30.2%
4000 +	<u>20</u>	<u>4.6%</u>	<u>\$415,014,473</u>	<u>39.4%</u>	<u>\$832,150,365</u>	<u>179,928</u>	<u>37.6%</u>
TOTALS	430	100%	\$1,050,234,608	100%	\$2,320,475,585	478,816	100%

* excludes advances

Source: Department of Management

STATE OF IOWA

FUNDING ELEMENTARY & SECONDARY EDUCATION

GENERAL FUND ONLY (In Millions)

ACTUAL 1980-81 ACTUAL 1981-82 ACTUAL 1982-83 ACTUAL 1983-84 ACTUAL 1984-85 ACTUAL 1985-86
DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT

GENERAL OPERATING FUND BUDGETS	\$1,385.5	9.6%	\$1,494.1	7.8%	\$1,555.8	4.1%	\$1,572.3	1.1%	\$1,690.6	7.5%	\$1,732.5	2.5%
SOURCE OF FUNDS:												
Property Tax -												
Uniform Levy	\$298.3	21.5%	\$316.5	22.1%	\$336.3	21.6%	\$352.5	22.4%	\$369.7	21.8%	\$387.7	22.4%
Additional Levy	306.8	22.2%	319.1	21.4%	327.7	21.1%	327.7	20.8%	330.7	19.6%	336.6	19.4%
B-4 Credits Subtotal	\$605.1	43.7%	\$635.6	42.5%	\$664.0	42.7%	\$680.2	42.2%	\$700.4	41.4%	\$724.3	41.8%
Deduct Credits (below)	(108.9)	7.9%	(116.7)	7.8%	(120.4)	7.8%	(117.0)	7.4%	(102.9)	6.1%	(111.8)	6.5%
Total Property Tax	\$496.2	35.8%	\$518.9	34.7%	\$543.6	34.9%	\$563.2	35.8%	\$597.5	35.3%	\$612.5	35.4%
State Aid -												
Foundation Aid	\$575.5	41.5%	\$621.0	41.6%	\$642.3	41.2%	\$660.3	42.0%	\$708.5	41.9%	\$712.3	41.1%
Misc. Direct State Aid	14.8	1.1%	10.2	0.7%	10.1	0.6%	10.2	0.6%	12.4	0.7%	0.0	0.0%
B-4 Credits Subtotal	\$590.3	42.5%	\$631.2	42.3%	\$652.4	41.9%	\$670.5	42.6%	\$720.9	42.6%	\$712.3	41.1%
Add Credits (below)	108.9	7.9%	116.7	7.8%	120.4	7.8%	117.0	7.4%	102.9	6.1%	111.8	6.5%
Total State Aid	\$699.2	50.5%	\$747.9	50.1%	\$772.8	49.7%	\$787.5	50.1%	\$823.8	48.7%	\$824.1	47.6%
Miscellaneous												
Other Income	\$89.1	6.5%	\$82.6	5.6%	\$85.0	5.5%	\$82.3	5.2%	\$92.8	5.5%	\$104.9	6.1%
Secretary Balance for Construction	0.4	0.0%	0.1	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Unspent Balance	100.0	7.2%	144.0	9.6%	153.3	9.9%	137.9	8.8%	174.8	10.3%	189.3	10.9%
Income Surtax	0.6	0.0%	0.6	0.0%	1.1	0.1%	1.4	0.1%	1.7	0.1%	1.7	0.1%
Total Miscellaneous	\$190.1	13.7%	\$227.3	15.2%	\$239.4	15.4%	\$221.6	14.1%	\$269.3	15.9%	\$295.9	17.1%
GENERAL FUND GRAND TOTAL SOURCE OF FUNDS	\$1,385.5	100.0%	\$1,494.1	100.0%	\$1,555.8	100.0%	\$1,572.3	100.0%	\$1,690.6	100.0%	\$1,732.5	100.0%
Weighted Enrollment	605,485		599,999		582,148		569,080		568,152		558,671	
Actual Certified Full Enrollment	536,979		520,255		506,796		498,742		492,021		486,725	
Average Rate Per Thousand	\$10.96		\$11.00		\$11.00		\$11.99		\$11.87		\$11.72	
Property Tax Credits -												
Ag Land & Family Farm Credit (all)	\$41.5		\$43.5		\$43.5		\$43.5		\$43.5		\$43.5	
Livestock	3.9		4.0		4.0		3.9		3.8		3.8	
Homestead (school portion)	42.8		47.8		50.3		47.9		44.6		42.5	
Personal Property (school portion)	20.7		21.4		22.6		21.7		11.0		22.0	
Total Credits	<u>\$108.9</u>		<u>\$116.7</u>		<u>\$120.4</u>		<u>\$117.0</u>		<u>\$102.9</u>		<u>\$111.8</u>	

STATE OF IOWA

FUNDING ELEMENTARY & SECONDARY EDUCATION

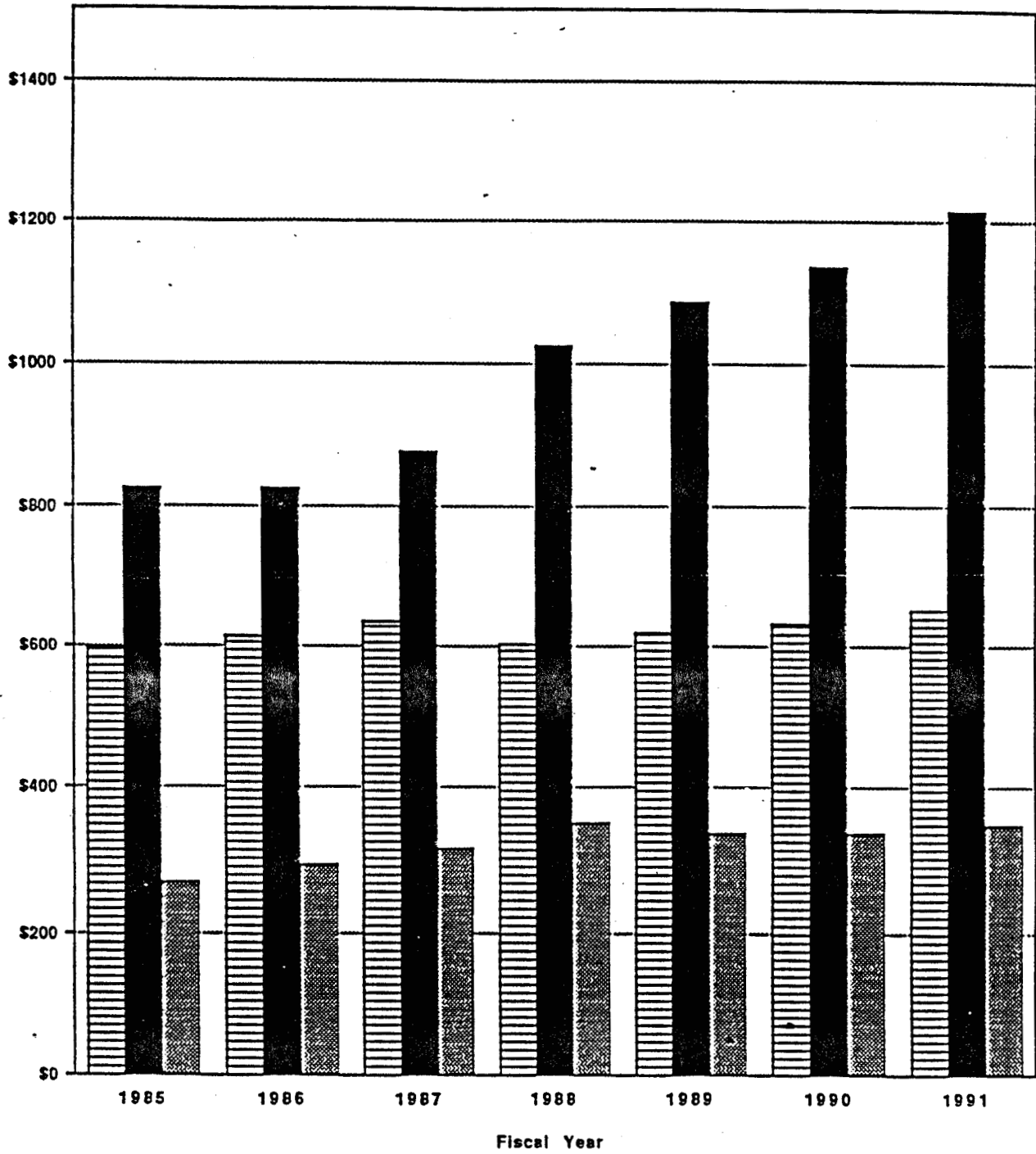
GENERAL FUND ONLY (In Millions)

ACTUAL 1986-87 ACTUAL 1987-88 ACTUAL 1988-89 ACTUAL 1989-90 ESTIMATED 1990-91 ESTIMATED 1991-92
DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT DOLLARS PERCENT

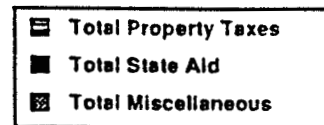
GENERAL OPERATING FUND BUDGETS	\$1,830.1	5.6%	\$1,978.2	8.1%	\$2,045.1	3.4%	\$2,105.1	2.9%	\$2,212.9	5.1%	\$2,385.2	7.8%
SOURCE OF FUNDS:												
Property Tax -												
Uniform Levy	\$404.0	22.1%	\$394.7	20.0%	\$380.7	18.6%	\$382.8	18.2%	\$385.6	17.4%	\$389.5	16.3%
Additional Levy	347.7	19.0%	326.3	16.4%	324.7	15.9%	335.5	15.9%	355.5	16.1%	395.5	16.6%
B-4 Credits Subtotal	\$751.7	41.1%	\$721.0	36.4%	\$705.4	34.5%	\$718.3	34.1%	\$741.1	33.5%	\$785.0	32.9%
Deduct Credits (below)	(115.3)	6.3%	(119.1)	6.0%	(85.8)	4.2%	(85.8)	4.1%	(89.9)	4.1%	(99.9)	4.2%
Total Property Tax	\$636.4	34.8%	\$601.9	30.4%	\$619.6	30.3%	\$632.5	30.0%	\$651.2	29.4%	\$685.1	28.7%
State Aid -												
Foundation Aid	\$761.2	41.6%	\$813.7	41.1%	\$908.3 c	44.4%	\$955.8 c	45.4%	\$1,055.7 c	47.4%	\$1,151.5 c	48.3%
Misc. Direct State Aid	0.0 a	0.0%	92.0 b	4.7%	92.0 b	4.5%	92.0 b	4.4%	67.3 b	3.0%	107.0 d	4.5%
B-4 Credits Subtotal	\$761.2	41.6%	\$905.7	45.8%	\$1,000.3	48.9%	\$1,047.8	49.8%	\$1,123.0	50.7%	\$1,258.5	52.8%
Add Credits (below)	115.3	6.3%	119.1	6.0%	85.8 c	4.2%	85.8 c	4.1%	89.9 c	4.1%	99.9 c	4.2%
Total State Aid	\$876.5	47.9%	\$1,024.8	51.8%	\$1,086.1	53.1%	\$1,133.6	53.9%	\$1,212.9	54.8%	\$1,358.4	57.0%
Miscellaneous												
Other Income	\$108.0	5.9%	\$115.5	5.8%	\$128.8	6.3%	\$134.5	6.4%	\$143.2	6.5%	\$134.5	5.7%
Secretary Balance for Construction	0.1	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.2	0.0%	0.3	0.0%
Unspent Balance	207.1	11.3%	234.0	11.9%	208.6	10.2%	201.4	9.6%	199.9	9.0%	201.4	8.4%
Income Surtax	2.0	0.1%	2.0	0.1%	2.0	0.1%	3.1	0.1%	5.5	0.2%	5.5	0.2%
Total Miscellaneous	\$317.2	17.3%	\$351.5	17.8%	\$339.4	16.6%	\$339.0	16.1%	\$348.8	15.8%	\$341.7	14.3%
GENERAL FUND GRAND TOTAL SOURCE OF FUNDS	\$1,830.1	100.0%	\$1,978.2	100.0%	\$2,045.1	100.0%	\$2,105.1	100.0%	\$2,212.9	100.0%	\$2,385.2	100.0%
Formula Enrollment	555,167		553,444		552,034		549,978		549,163		543,066	
Actual Certified Full Enrollment	482,207		480,346		478,203		478,816		483,395			
Average Rate Per Thousand	\$11.67		\$11.49		\$11.71		\$12.02		\$12.58		\$12.90	
Property Tax Credits -												
Ag Land & Family Farm Credit (all)	\$43.5		\$43.5		\$43.5		\$43.5		\$43.5		\$53.5 e	
Livestock	3.8		5.1		0.0		0.0		0.0		0.0	
Homestead (school portion)	43.9		43.2		42.3		42.3		46.4		46.4	
Personal Property (school portion)	24.1		27.3		0.0		0.0		0.0		0.0	
Total Credits	<u>\$115.3</u>		<u>\$119.1</u>		<u>\$85.8</u>		<u>\$85.8</u>		<u>\$89.9</u>		<u>\$99.9</u>	

a) Data not collected in FY87-88. It is included in miscellaneous as other income. (b) Excellence in Education. (c) Starting in FY 88-89, the livestock and personal property tax replacement are part of state aid. (d) Excellence in Education and Instructional Support. (e) Family Farm Credit of \$10 M added.

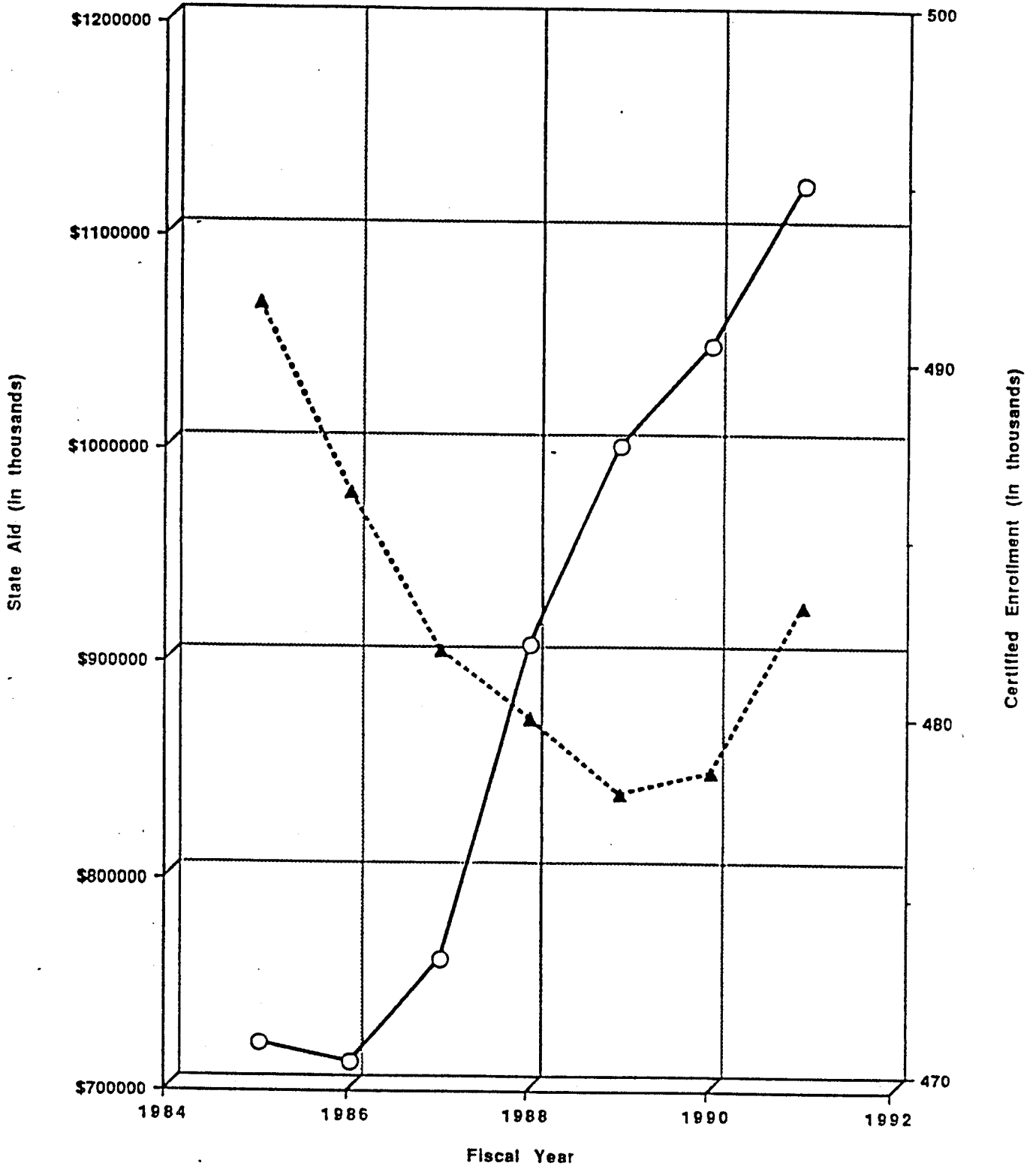
FUNDING ELEMENTARY & SECONDARY EDUCATION



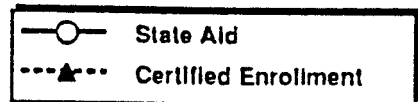
Source: Department of Management



STATE FOUNDATION AND MISCELLANEOUS AID COMPARED TO CERTIFIED ENROLLMENT



Source: Department of Management



MERGED AREA SCHOOLS
(Community Colleges)

	State Aid (Millions)	Property Taxes (Millions)
FY86	\$66.3	\$32.3
FY87	\$68.6	\$33.4
FY88	\$68.9	\$35.4
FY89	\$82.7	\$33.3
FY90	\$87.7	\$34.8
FY91	\$101.1	\$37.0

Source: Department of Management

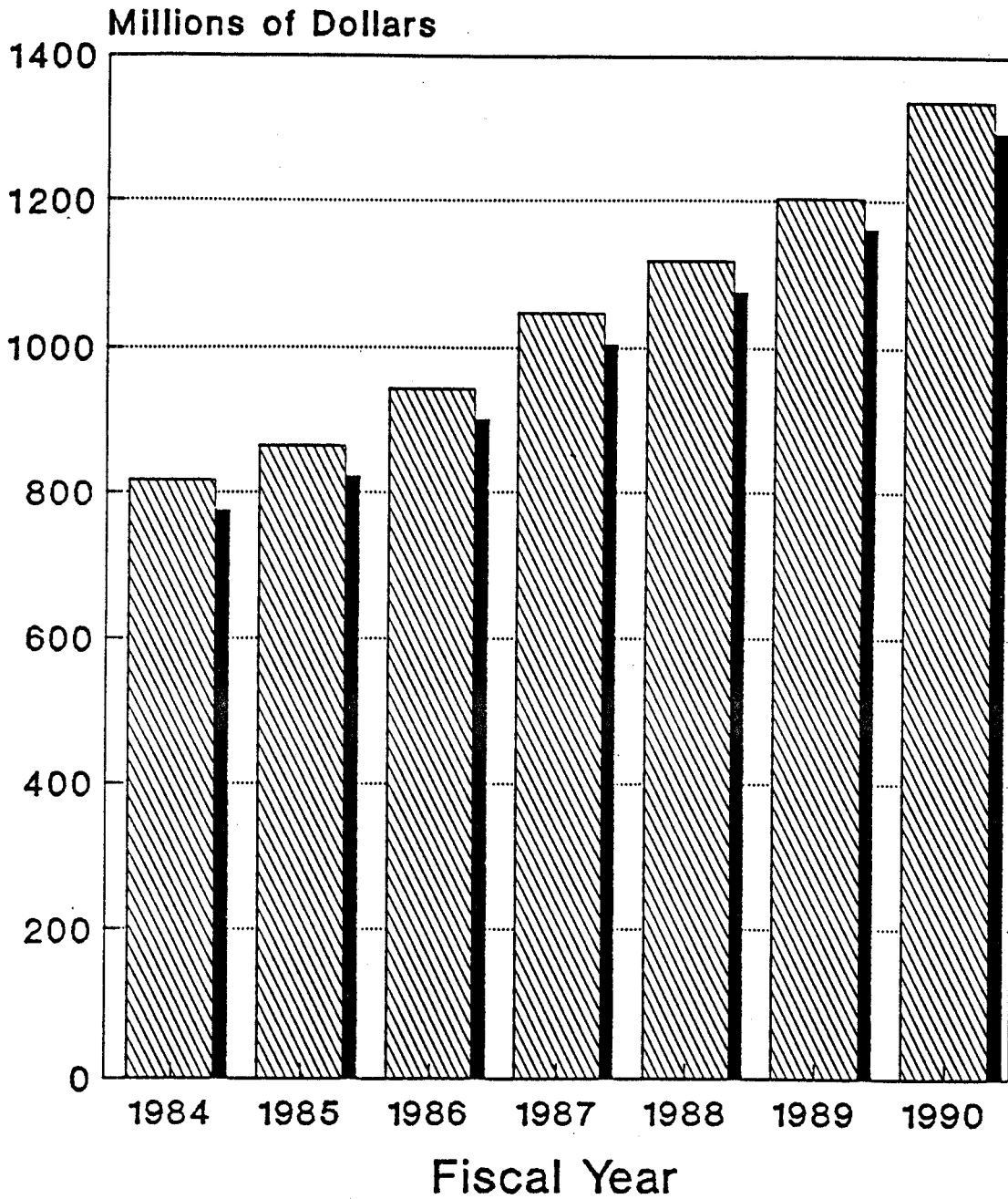
COLLEGE TUITION AID

	FY86	FY87	FY88
Tuition Grant Program	20,733,084	19,806,900	24,294,765
Scholarship Program	336,525	336,525	399,600
Voc Tech Tuitional Grants	626,582	646,582	645,935
Science & Math Loans	67,305	67,305	49,950
Work Study Program	--	--	2,147,850

	FY89	FY90	FY91 Est
Tuition Grant Program	28,894,765	30,682,505	32,912,800
Scholarship Program	750,000	800,000	1,023,840
Voc Tech Tuitional Grants	644,294	750,000	1,330,647
Science & Math Loans	--	--	--
Work Study Program	2,650,000	3,000,000	3,210,000

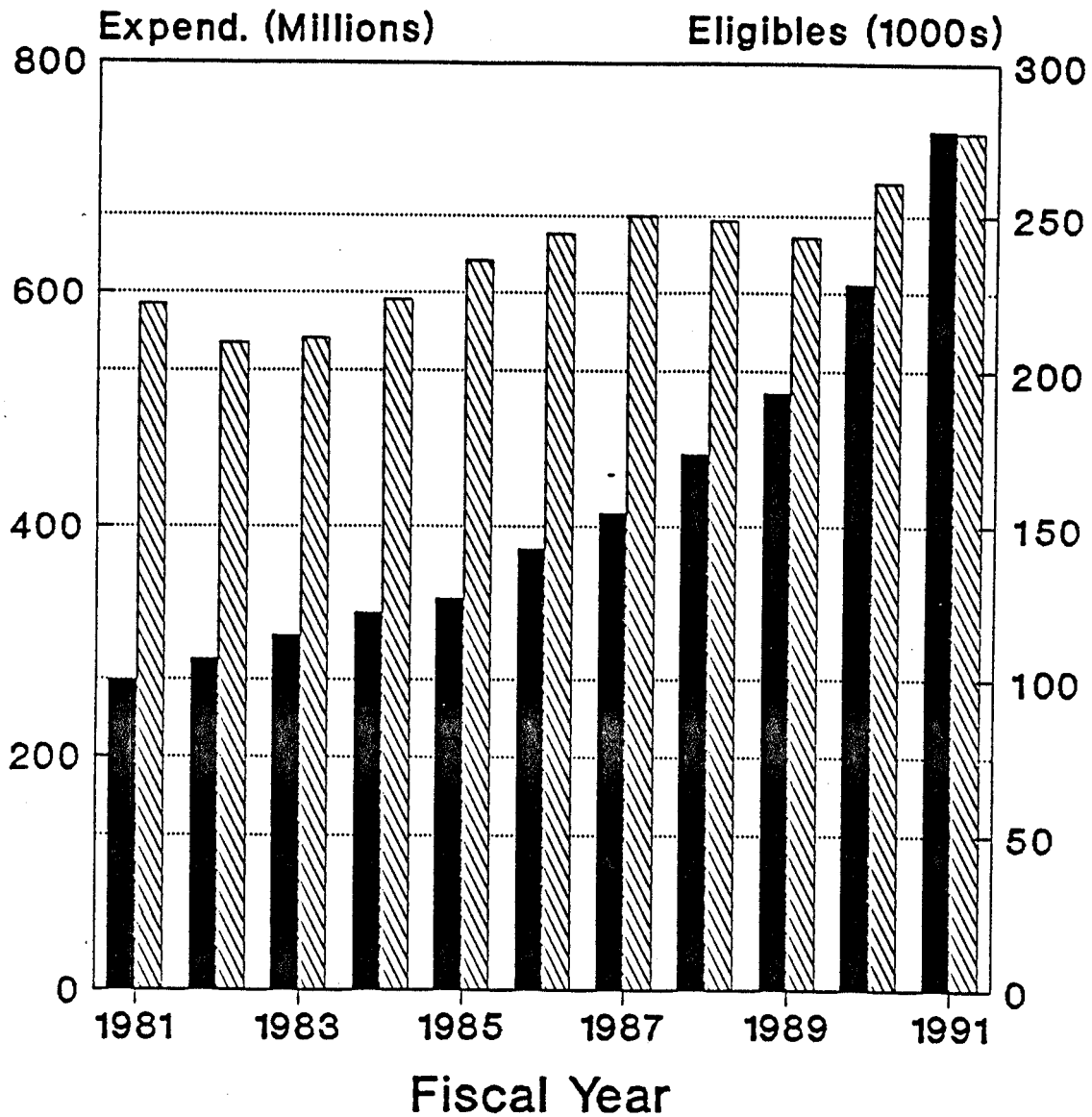
Source: Department of Management

Health & Human Services Expenditures In Iowa: All Levels of Government



Source: Iowa Dept. of Revenue

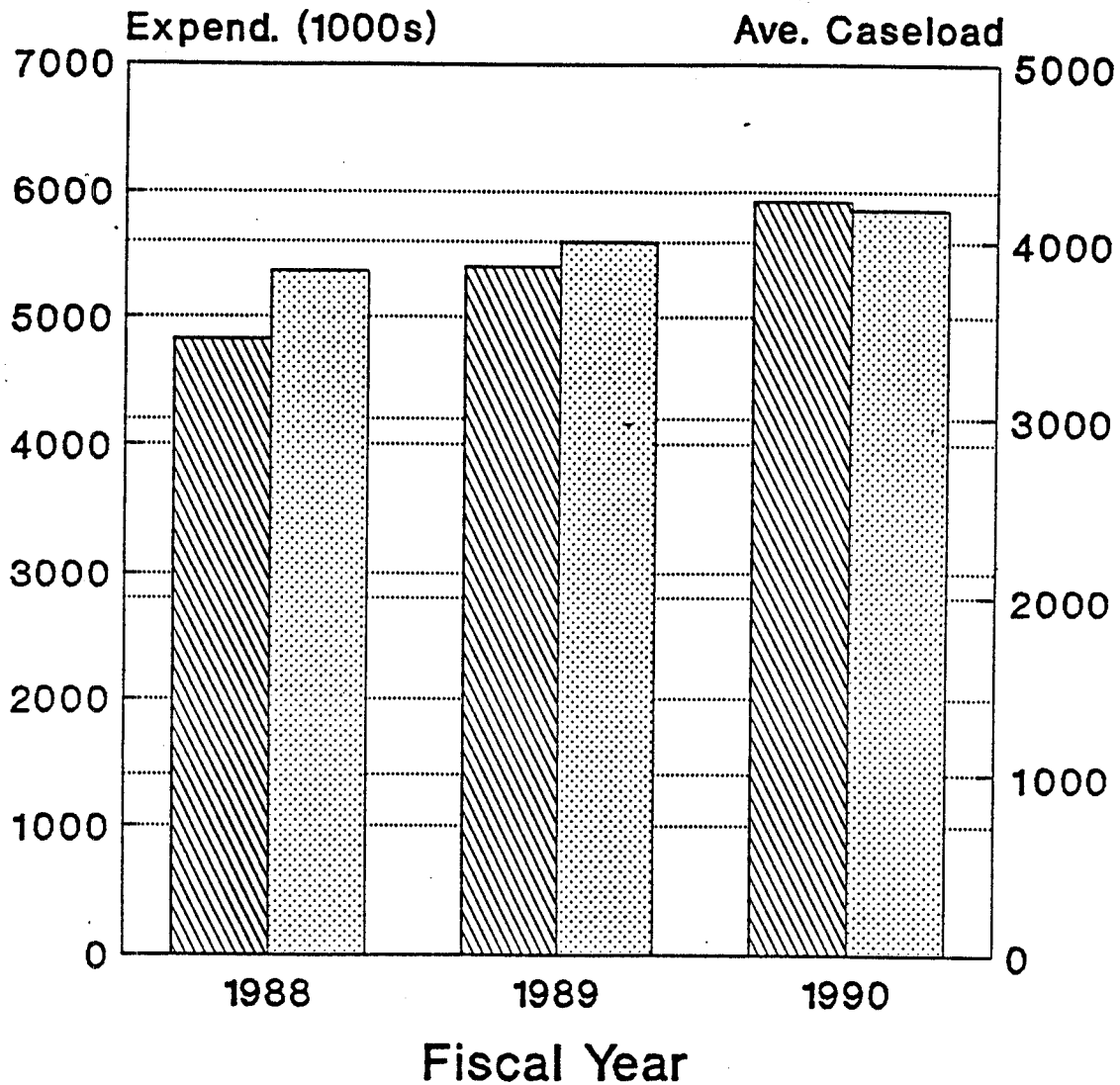
Medicaid Expenditures and Eligibles In Iowa



■ Expenditures ▨ Eligibles

Source: Dept. of Human Services

Foster Care Statistics In Iowa



Expenditures Caseload

Source: Dept. Human Services

TOTAL LOCAL GOVERN

SPENDING PER CAPI

FY 1991 Local Expenditures

County

TOP

TEN

Muscatine	\$148,230,876
Clay	\$ 51,788,836
Hamilton	\$ 42,647,932
Adair	\$ 21,503,218
Winnebago	\$ 29,559,082
Bremer	\$ 55,448,406
Story	\$174,767,871
Adams	\$ 11,114,670
Kossuth	\$ 41,977,589
Davis	\$ 18,739,522

BOTTOM

TEN

Winneshiek	\$ 33,389,789
Dubuque	\$137,622,225
Appanoose	\$ 21,836,544
Howard	\$ 15,560,893
Mills	\$ 20,574,294
Buena Vista	\$ 31,109,051
Jones	\$ 30,006,183
Washington	\$ 30,166,451
Jefferson	\$ 22,734,411
Johnson	\$132,520,935

Per Capita Total Local (by County)

Local Government Expected Expenditures by County

Property Taxes Levied and

Property Taxes by Type of

Per Capita State Aid to (by County)

State Aid to Local Government

County Property Taxes Levied and Valuation

County Budget Expenditure

1991 Expenditures by County

City Property Taxes Levied and Valuation

City Budget Comparison 1991

Expenditures in 9 Largest

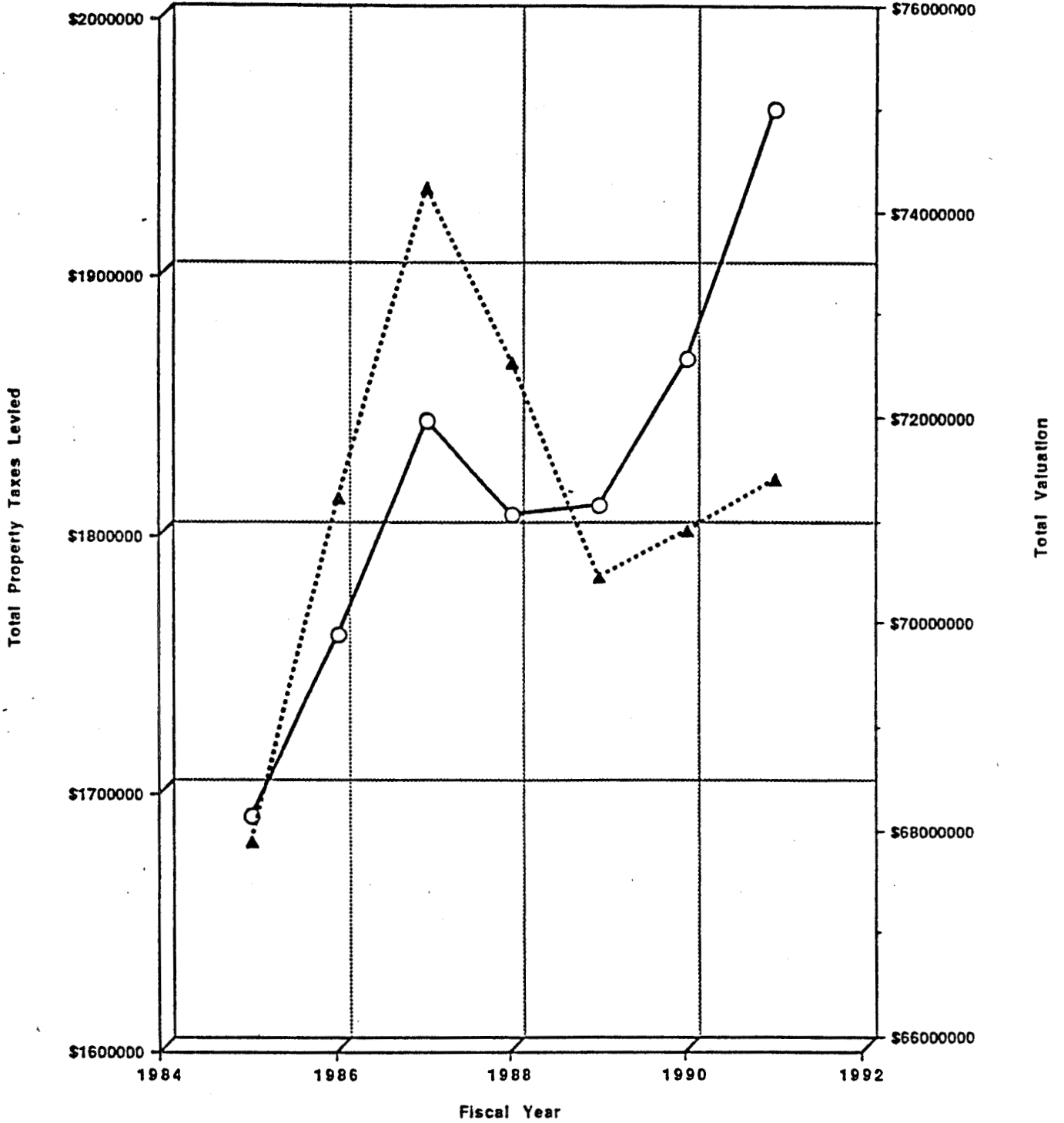
Source: Department of Management

FY91 Local Government
Budgeted Expenditures

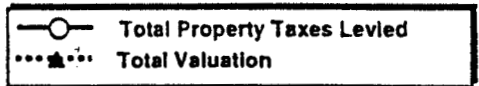
	1990 POP.	CITY OPERATING EXPENDITURES	CITY ENTERPRISE EXPENDITURES	TOTAL CITY EXPENDITURES	PER CAPITA	COUNTY EXPENDITURES	PER CAPITA	SCHOOL EXPENDITURES	PER CAPITA	TOTAL EXPENDITURES	PER CAPITA
ATINE	39,907	16,595,116	84,715,857	101,310,973	2,539	11,820,915	296	35,098,988	880	148,230,876	3,714
	17,585	20,632,632	9,548,361	30,180,993	1,716	6,166,743	351	15,441,100	878	51,788,836	2,945
LTON	16,071	9,044,507	11,462,565	20,507,072	1,276	7,999,211	498	14,141,649	880	42,647,932	2,654
EBAGO	8,409	1,535,274	3,123,017	4,658,291	554	5,699,446	678	11,145,481	1,325	21,503,218	2,557
ER	12,122	8,450,278	6,802,135	15,252,413	1,258	4,523,821	373	9,782,848	807	29,559,082	2,438
F	22,813	11,341,678	12,975,372	24,317,050	1,066	8,374,575	367	22,756,781	998	55,448,406	2,431
S	74,252	73,763,966	30,708,931	104,472,897	1,407	19,647,469	265	50,647,505	682	174,767,871	2,354
JTH	4,866	793,714	1,818,532	2,612,246	537	3,462,121	711	5,040,303	1,036	11,114,670	2,284
S	18,591	5,165,612	9,682,235	14,847,847	799	10,423,237	561	16,706,505	899	41,977,589	2,258
VA	8,312	2,319,909	4,531,150	6,851,059	824	4,478,534	539	7,409,929	891	18,739,522	2,255
	10,034	2,976,365	3,572,710	6,549,075	653	6,739,084	672	9,294,649	926	22,582,808	2,251
3Y	327,140	264,769,745	90,695,435	355,465,180	1,087	90,209,940	276	282,574,565	864	728,249,685	2,226
JR	13,230	3,312,451	6,622,466	9,934,917	751	7,586,841	573	11,521,961	871	29,043,719	2,195
IN	7,114	1,794,279	2,846,579	4,640,858	652	4,398,085	618	6,437,307	905	15,476,250	2,175
CASAW	19,094	16,360,088	1,921,546	18,281,634	957	7,225,727	378	15,993,453	838	41,500,814	2,174
IT	13,295	3,904,238	6,140,304	10,044,542	756	6,911,101	520	11,893,939	895	28,849,582	2,170
ONTAS	14,269	8,762,670	1,445,072	10,207,742	715	6,297,400	441	14,436,274	1,012	30,941,416	2,168
JNT	9,525	1,969,682	3,330,859	5,300,541	556	5,251,611	551	9,892,739	1,039	20,444,891	2,146
ORD	8,226	1,887,607	533,362	2,420,969	294	6,544,908	796	8,682,723	1,056	17,648,600	2,145
	16,775	4,260,846	6,523,730	10,784,576	643	7,944,173	474	16,715,369	996	35,444,118	2,113
	15,128	3,824,277	8,359,892	12,184,169	805	6,637,167	439	13,029,449	861	31,850,785	2,105
JLA	7,267	2,168,324	2,524,130	4,692,454	646	4,011,080	552	6,594,883	908	15,298,417	2,105
C HAWK	123,798	92,975,798	40,094,748	133,070,546	1,075	37,949,632	307	89,090,934	720	260,111,112	2,101
ER	34,795	21,760,926	3,493,101	25,254,027	726	16,824,484	484	31,025,599	892	73,104,110	2,101
IE	10,045	2,747,223	1,402,328	4,149,551	413	6,046,400	602	10,860,138	1,081	21,056,089	2,096
INSON	14,909	5,612,613	3,697,355	9,309,968	624	5,792,902	389	16,086,967	1,079	31,189,837	2,092
JY	12,029	3,268,220	3,072,646	6,340,866	527	6,341,122	527	12,313,614	1,024	24,995,602	2,078
EN	36,033	11,866,804	16,568,368	28,435,172	789	10,974,597	305	35,157,796	976	74,567,565	2,069
F	11,569	4,508,480	3,699,617	8,208,097	709	5,532,308	478	10,180,171	880	25,298,576	2,068
C	29,903	17,923,967	11,634,310	29,558,277	988	12,148,173	406	20,053,824	671	61,760,274	2,065
ALTO	10,669	2,831,154	2,828,153	5,659,307	530	6,365,556	597	9,808,033	919	21,832,896	2,046
LUR	8,338	2,918,704	2,674,175	5,592,879	671	4,335,480	520	6,970,719	836	16,899,078	2,027
AS	29,755	7,911,064	3,899,681	11,810,745	397	12,701,716	427	35,237,524	1,184	59,749,985	2,008
CK	12,638	3,285,357	1,302,171	4,587,528	363	6,262,881	496	14,478,302	1,146	25,328,711	2,004
F	12,750	3,632,743	4,772,560	8,405,303	659	5,219,614	409	11,655,842	914	25,280,759	1,983
IE	10,935	2,319,698	3,361,648	5,681,346	520	6,753,795	618	9,219,125	843	21,654,266	1,980
J	17,058	5,187,649	1,721,883	6,909,532	405	6,410,971	376	20,454,873	1,199	33,775,376	1,980
F	150,979	129,590,422	10,591,692	140,182,114	928	28,739,620	190	129,227,507	856	298,149,241	1,975
ION	51,040	30,648,610	8,285,907	38,934,517	763	14,356,669	281	47,500,490	931	100,791,676	1,975
S	9,070	3,794,831	2,024,107	5,818,938	642	4,470,033	493	7,584,313	836	17,873,284	1,971
ION	19,950	4,819,017	8,830,251	13,649,268	684	7,468,366	374	18,032,426	904	39,150,060	1,962
	12,324	3,252,592	3,469,957	6,722,549	545	5,751,053	467	11,531,053	936	24,004,655	1,948
JE	8,114	1,797,872	1,416,263	3,214,135	396	4,564,146	563	7,904,455	974	15,682,736	1,933
CLIN	11,364	3,144,975	518,730	3,663,705	322	6,402,708	563	11,840,111	1,042	21,906,524	1,928
JURY	98,276	70,644,819	15,551,018	86,195,837	877	25,820,314	263	76,834,321	782	188,850,472	1,922
ION	12,483	2,693,157	3,002,164	5,695,321	456	6,425,325	515	11,681,297	936	23,802,943	1,907
JN	22,429	6,416,746	4,572,986	10,989,732	490	10,029,924	447	21,673,943	966	42,693,599	1,903
	17,419	4,753,148	3,960,801	8,713,949	500	7,595,841	436	16,789,567	964	33,099,357	1,900
	8,365	1,694,322	549,627	2,243,949	268	4,970,373	594	8,621,609	1,031	15,835,931	1,893
IALL	38,276	17,688,277	9,253,633	26,941,910	704	13,739,680	359	31,746,019	829	72,427,609	1,892
F	17,381	3,929,179	4,872,108	8,801,287	506	7,976,692	459	16,044,740	923	32,822,719	1,888
JUN	11,508	3,331,652	1,213,579	4,545,231	395	6,001,799	522	11,155,693	969	21,702,723	1,886

	1990 POP.	CITY OPERATING EXPENDITURES	CITY ENTERPRISE EXPENDITURES	TOTAL CITY EXPENDITURES	PER CAPITA	COUNTY EXPENDITURES	PER CAPITA	SCHOOL EXPENDITURES	PER CAPITA	TOTAL EXPENDITURES	PER CAPITA
AGE	16,870	8,291,278	1,920,352	10,211,630	605	7,035,523	417	14,327,247	849	31,574,400	1,872
ANN	168,767	92,041,342	46,234,994	138,276,336	819	45,224,262	268	131,643,458	780	315,144,056	1,867
ARIZONA	7,334	1,428,112	568,741	1,996,853	272	4,966,861	677	6,719,716	916	13,683,430	1,866
ARGENT	5,420	768,284	466,757	1,235,041	228	3,615,623	667	5,259,871	970	10,110,535	1,865
ARMON	13,855	6,371,118	1,227,048	7,598,166	548	6,747,980	487	11,429,897	825	25,776,043	1,860
ARROW	10,928	3,693,454	3,574,613	7,268,067	665	4,727,613	433	8,278,051	758	20,273,731	1,855
ART	11,592	1,489,043	1,326,237	2,815,280	243	7,385,819	637	11,160,933	963	21,362,032	1,843
ARTIST	19,054	6,175,027	2,692,414	8,867,441	465	8,579,220	450	17,605,841	924	35,052,502	1,840
ARTIST	21,423	8,349,014	8,014,319	16,363,333	764	9,590,242	448	13,320,889	622	39,274,464	1,833
ARTIST	10,756	2,517,618	1,706,013	4,223,631	393	5,880,208	547	9,456,200	879	19,560,039	1,819
ARTIST	14,093	3,368,271	2,438,049	5,806,320	412	6,822,045	484	12,953,871	919	25,582,236	1,815
ARTIST	19,033	6,322,854	5,839,844	12,162,698	639	7,952,212	418	16,247,303	749	34,362,213	1,805
ARTIST	30,001	12,789,239	10,053,601	22,842,840	761	9,039,481	301	22,242,145	741	54,124,466	1,804
ARTIST	7,991	1,357,383	606,109	1,963,492	246	4,751,907	595	7,700,018	964	14,415,417	1,804
ARTIST	7,067	1,737,464	912,252	2,649,716	375	3,908,052	553	6,053,425	857	12,611,193	1,785
ARTIST	15,444	6,688,204	5,092,983	11,781,187	763	5,400,227	350	10,319,690	668	27,501,104	1,781
ARTIST	19,226	5,393,514	7,084,332	12,477,846	649	6,979,758	363	14,743,718	767	34,201,322	1,779
ARTIST	82,628	37,244,372	12,575,810	49,820,182	603	22,534,632	273	74,611,378	903	146,966,192	1,779
ARTIST	8,287	2,011,610	1,031,280	3,042,890	367	3,817,075	461	7,865,574	949	14,725,539	1,777
ARTIST	38,687	15,540,864	8,597,974	24,138,838	624	14,891,220	385	29,656,044	767	68,686,102	1,775
ARTIST	11,952	2,125,914	2,568,342	4,694,256	393	6,422,293	537	10,099,925	845	21,216,474	1,775
ARTIST	15,731	3,394,311	1,270,194	4,664,505	297	5,976,809	380	16,945,499	1,077	27,586,813	1,754
ARTIST	14,730	3,463,625	1,928,399	5,392,024	366	6,686,299	454	13,689,215	929	25,767,538	1,749
ARTIST	7,676	1,025,342	1,225,550	2,250,892	293	4,609,243	600	6,548,665	853	13,408,800	1,747
ARTIST	23,388	10,724,530	3,875,103	14,599,633	624	7,697,369	329	18,312,308	783	40,609,310	1,736
ARTIST	21,522	9,675,143	2,021,873	11,697,016	543	9,299,872	432	16,079,865	747	37,076,753	1,723
ARTIST	18,035	4,132,956	2,220,862	6,353,818	352	8,184,535	454	16,420,744	910	30,959,097	1,717
ARTIST	46,733	20,701,251	7,649,006	28,350,257	607	14,701,481	315	36,881,894	789	79,933,632	1,710
ARTIST	20,844	5,575,922	4,695,657	10,271,579	493	7,104,541	341	18,047,502	866	35,423,622	1,699
ARTIST	40,342	17,869,620	5,649,384	23,519,004	583	14,503,467	360	30,159,432	748	68,181,903	1,690
ARTIST	35,687	17,273,226	5,313,952	22,587,178	633	10,468,735	293	26,815,390	751	59,871,303	1,678
ARTIST	21,843	6,596,729	1,991,426	8,588,155	393	8,362,392	383	19,648,524	900	36,599,071	1,676
ARTIST	25,186	6,375,025	5,352,301	11,727,326	466	7,958,279	316	22,379,434	889	42,065,039	1,670
ARTIST	12,076	3,170,990	2,404,414	5,575,404	462	4,643,868	385	9,523,436	789	19,742,708	1,635
ARTIST	42,614	14,191,641	7,034,131	21,225,772	498	13,749,780	323	34,632,928	813	69,608,480	1,633
ARTIST	14,630	2,297,159	963,751	3,260,910	223	8,105,800	554	12,528,779	856	23,895,489	1,633
ARTIST	11,624	2,118,638	654,442	2,773,080	239	5,911,251	509	10,006,761	861	18,691,092	1,608
ARTIST	20,847	4,169,448	1,058,693	5,228,141	251	8,442,572	405	19,719,076	946	33,389,789	1,602
ARTIST	86,403	48,404,400	10,411,348	58,815,748	681	24,741,996	286	54,064,481	626	137,622,225	1,593
ARTIST	13,743	3,870,874	1,506,009	5,376,883	391	5,510,073	401	10,949,588	797	21,836,544	1,589
ARTIST	9,809	2,651,032	564,964	3,215,996	328	4,802,107	490	7,542,790	769	15,560,893	1,586
ARTIST	13,202	2,381,469	958,908	3,340,377	253	5,331,336	404	11,902,581	902	20,574,294	1,558
ARTIST	19,965	4,834,471	3,780,218	8,614,689	431	6,501,197	326	15,993,165	801	31,109,051	1,558
ARTIST	19,444	5,052,452	1,567,874	6,620,326	340	7,187,894	370	16,197,963	833	30,006,183	1,543
ARTIST	19,612	4,965,941	2,318,329	7,284,270	371	8,120,664	414	14,761,517	753	30,166,451	1,538
ARTIST	16,310	4,234,319	1,857,488	6,091,807	374	6,143,079	377	10,499,525	644	22,734,411	1,394
ARTIST	96,119	32,954,944	22,030,788	54,985,732	572	23,005,276	239	54,529,927	567	132,520,935	1,379
	2,776,755	1,409,583,851	717,865,798	2,127,449,649	766	980,348,531	353	2,320,475,588	836	5,428,273,768	1,955

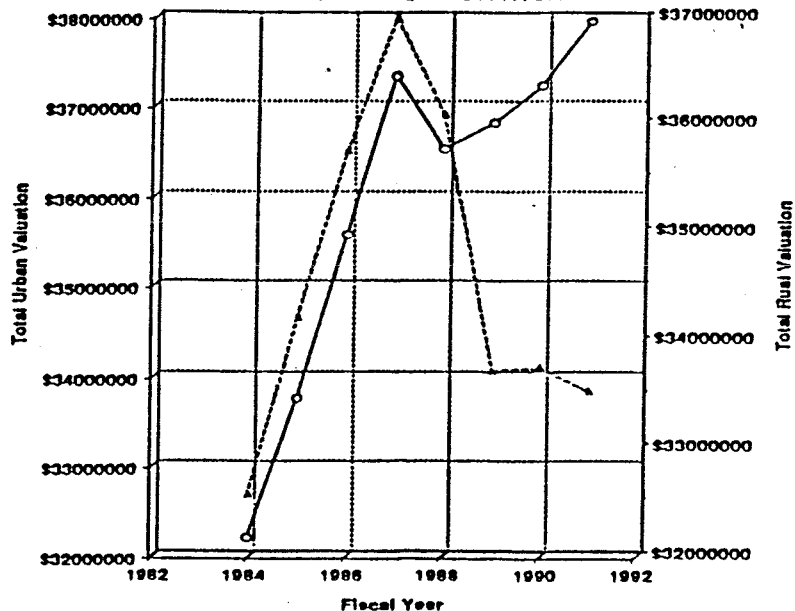
TOTAL PROPERTY TAXES LEVIED Compared To TOTAL VALUATION



Source: Department of Management



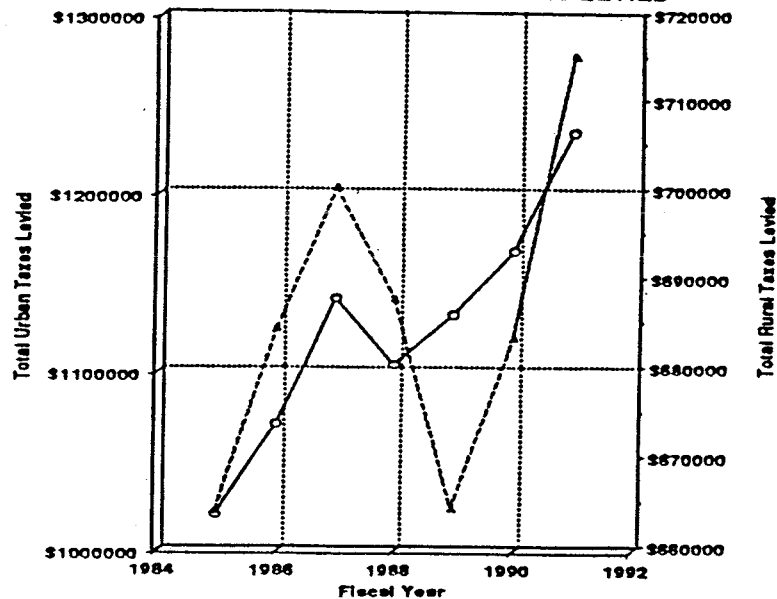
TOTAL URBAN VALUATION
Compared To
TOTAL RURAL VALUATION



Source: Department of Management

○ Total Urban Valuation
▲ Total Rural Valuation

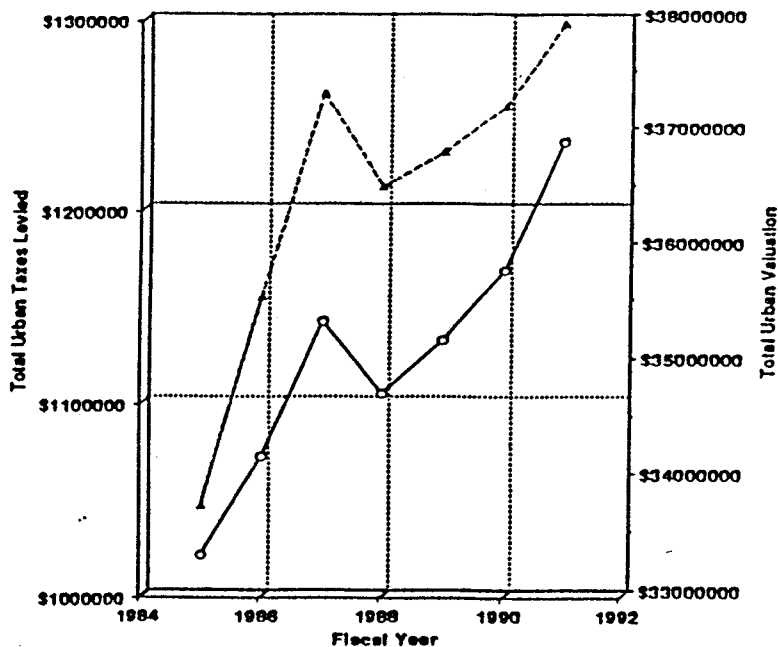
TOTAL URBAN PROPERTY TAXES LEVIED
COMPARED TO
TOTAL RURAL PROPERTY TAXES LEVIED



Source: Department of Management

○ Total Urban Taxes Levied
▲ Total Rural Taxes Levied

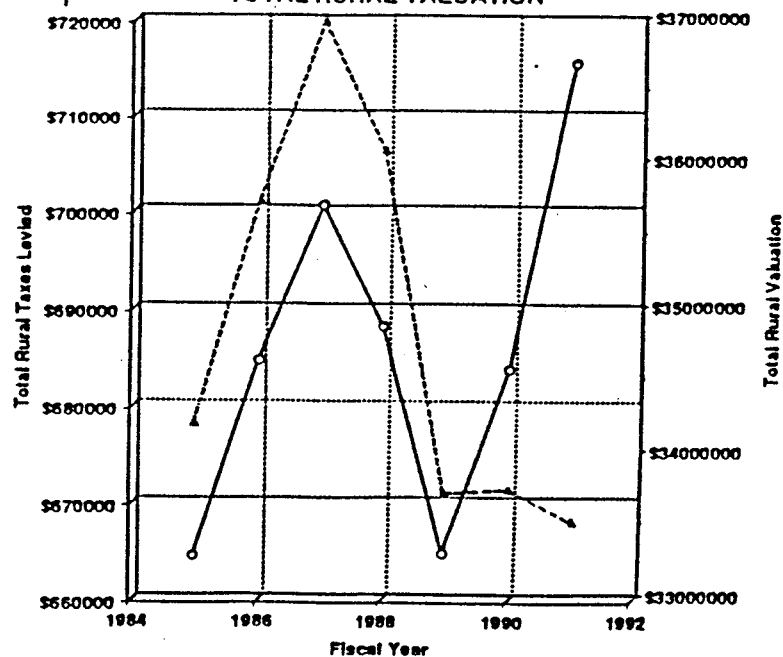
TOTAL URBAN PROPERTY TAXES LEVIED
COMPARED TO
TOTAL URBAN VALUATION



Source: Department of Management

○ Total Urban Taxes Levied

TOTAL RURAL PROPERTY TAXES LEVIED
COMPARED TO
TOTAL RURAL VALUATION



Source: Department of Management

○ Total Rural Taxes Levied

PROPERTY TAXES BY TYPE OF TAXING AUTHORITY
 SIXTEEN-YEAR SUMMARY 1975-76 TO 1990-91
 DEPARTMENT OF MANAGEMENT - LOCAL BUDGET DIVISION

	75-76	76-77	77-78	78-79	79-80	80-81	81-82	82-83	83-84	84-85	85-86	86-87	87-88	88-89	89-90	90-91
PROPERTY TAX DOLLARS (IN THOUSANDS)																
12 SCHOOLS	475,948	543,999	567,718	596,497	633,010	686,252	729,453	764,843	777,089	807,385	835,809	869,981	836,549	826,495	853,601	899,396
UNITIES	184,607	198,632	221,691	246,579	268,445	305,651	332,277	354,184	374,971	397,885	415,385	426,173	427,819	429,741	445,176	476,741
TIES	174,155	195,397	213,670	232,824	258,910	291,970	319,551	346,754	371,282	396,777	417,349	453,082	444,520	456,391	465,352	482,666
REGED AREAS	15,543	21,560	18,753	19,399	20,941	22,514	24,437	26,102	29,072	30,941	32,285	33,955	35,431	33,287	34,752	36,958
SPITALS	10,888	12,964	14,180	15,130	16,439	18,284	19,311	20,450	21,219	22,451	22,765	22,882	25,591	26,212	27,288	29,219
SESSORS	9,235	9,819	11,125	12,170	13,143	14,527	15,731	15,793	15,309	15,485	15,859	16,120	16,567	17,693	18,491	20,051
L OTHERS	3,321	3,480	3,774	4,006	4,445	5,253	6,160	7,300	17,928	18,534	20,165	20,483	20,694	20,740	21,489	22,243
TOTAL LEVY	873,697	985,851	1,050,911	1,126,605	1,215,333	1,344,451	1,456,920	1,535,966	1,606,870	1,689,658	1,759,614	1,842,675	1,807,171	1,810,558	1,866,349	1,967,275

PERCENT OF TOTAL PROPERTY TAX DOLLARS																
12 SCHOOLS	54.48	55.38	54.02	52.95	52.09	51.04	50.41	49.81	48.36	47.79	47.50	47.21	46.29	45.65	45.74	45.72
UNITIES	21.13	20.15	21.10	21.89	22.09	22.73	22.96	23.07	23.34	23.55	23.61	23.13	23.67	23.74	23.85	24.23
TIES	19.93	19.82	20.33	20.67	21.30	21.72	22.08	22.58	23.11	23.49	23.72	24.59	24.60	25.21	24.93	24.53
REGED AREAS	1.78	2.19	1.78	1.72	1.72	1.67	1.69	1.70	1.81	1.83	1.83	1.84	1.96	1.84	1.86	1.88
SPITALS	1.25	1.32	1.35	1.34	1.35	1.34	1.33	1.33	1.32	1.33	1.29	1.24	1.42	1.42	1.46	1.49
SESSORS	1.06	1.00	1.06	1.08	1.08	1.08	1.09	1.03	0.95	0.92	0.90	0.87	0.92	0.98	1.00	1.02
L OTHERS	0.38	0.35	0.36	0.36	0.37	0.39	0.43	0.48	1.12	1.10	1.15	1.11	1.15	1.15	1.15	1.13
TOTAL LEVY	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

PERCENT CHANGE FROM PRECEDING YEAR																
12 SCHOOLS		14.30	4.36	5.07	6.12	8.41	6.30	4.85	1.60	3.90	3.52	4.09	-3.84	-1.20	3.28	5.36
UNITIES		-7.60	11.61	11.23	8.87	13.86	8.71	6.59	5.87	6.11	4.40	2.60	0.39	0.45	3.59	7.09
TIES		12.20	9.35	8.96	11.20	12.77	9.45	8.51	7.07	16.87	5.18	8.56	-1.89	2.67	1.96	3.72
REGED AREAS		38.71	-13.02	3.44	7.95	7.51	8.54	6.81	11.38	6.43	4.34	5.17	4.35	-6.05	4.40	6.35
SPITALS		19.07	9.38	6.70	8.65	11.22	5.62	6.11	3.56	5.81	1.40	0.51	11.84	2.43	4.10	7.08
SESSORS		6.32	13.30	9.39	8.00	10.53	8.29	0.39	3.06	1.15	2.42	1.65	2.77	6.80	5.64	7.28
L OTHERS		4.79	8.45	6.15	10.96	18.18	17.27	18.51	165.59	3.38	8.80	1.58	1.03	0.22	3.61	3.51
TOTAL LEVY		12.84	6.60	7.20	7.88	10.62	7.62	6.12	4.65	5.14	4.15	4.72	-1.93	0.19	3.08	5.41
VALUE		31.07	3.23	5.04	8.34	7.92	6.16	6.31	4.84	4.92	4.91	4.22	-2.32	-2.83	0.62	0.71

MISCELLANEOUS INFORMATION (TAX VALUES IN THOUSANDS)

VALUE	32964681	43206313	44599770	46845495	50752593	54770584	58142332	61813334	64402781	67992946	71332026	74344379	72622770	70564328	71001264	71506890
RATE	26.50403	22.81729	23.56315	24.04938	23.94622	24.54695	24.88583	24.84037	24.79631	24.84755	24.66794	24.78567	24.88436	25.65826	26.28616	27.51168

ALL OTHERS INCLUDES AG EXTENSION, TOWNSHIPS, SANITARY DISTRICTS, STATE, AND FIRE, WATER, AND STREET LIGHTING DISTRICTS.
 FIRE, WATER, AND STREET LIGHTING FIRST INCLUDED IN 1981-82. TOWNSHIPS FIRST INCLUDED IN 1983-84. STATE INCLUDED IN 1985/86.
 TIF REVENUES ADDED TO CITIES BEGINNING 1986-87. PERSONAL PROPERTY NOT TAXED BEGINNING FY87-88.
 TOTALS MAY NOT ADD DUE TO ROUNDING.

**FY91 Taxes Levied
By Taxing Authority**

	1990 POP.	SCHOOL TAXES	PER CAPITA	CITY TAXES	PER CAPITA	COUNTY TAXES	PER CAPITA	MERGED AREA TAXES	HOSPITAL TAXES	ASSESSOR TAXES	TOWNSHIPS TAXES	AG EXTEN TAXES	SPECIAL DIST TAXES	SUBTOTAL MISC.	PER CAPITA	TOTAL TAXES	PER CAPITA
ACK	12,638	6,947,770	550	1,924,123	152	3,036,528	240	287,318	306,201	103,377	110,770	62,997	3,078	873,741	69	12,782,162	1,011
NSOW	14,909	6,898,971	463	2,552,084	171	3,278,768	220	368,328	99,998	167,357	125,218	60,969	1,206,875	2,028,743	136	14,758,588	990
LIN	11,364	5,359,526	472	1,403,952	124	2,936,614	258	301,663	561,782	85,909	71,508	74,998	35,997	1,131,857	100	10,831,949	953
IE	10,045	4,549,535	453	1,209,747	120	2,945,473	293	214,766	265,227	135,684	102,624	74,999	2,205	795,505	79	9,500,260	946
NT	8,226	3,827,077	465	669,113	81	2,745,720	334	172,290	0	68,954	70,048	67,003	1,693	379,988	46	7,621,898	927
TH	18,591	8,199,647	441	2,050,264	110	5,238,571	282	437,642	261,893	196,331	159,077	74,998	10,079	1,140,020	61	16,628,482	894
Y	12,029	5,449,521	453	1,562,112	130	3,155,308	262	323,288	0	83,785	88,813	74,999	17,572	588,457	49	10,755,398	894
	8,409	3,638,725	433	829,439	99	2,360,019	281	146,526	234,707	83,208	125,785	61,001	1,540	652,767	78	7,480,950	890
ALTO	10,669	4,430,513	415	1,072,165	100	3,202,626	300	225,173	176,520	102,913	68,211	69,047	34,582	678,446	63	9,381,750	879
OW	7,334	2,945,811	402	731,501	100	2,147,469	293	135,637	218,922	99,095	64,524	54,748	1,400	574,326	78	6,399,107	873
	7,991	3,394,095	425	714,306	89	2,360,242	295	148,261	0	83,624	52,973	64,313	1,588	350,759	44	6,819,402	853
	4,866	2,143,428	440	357,242	73	1,401,453	288	78,522	0	79,114	51,859	33,782	834	244,111	50	4,144,234	852
T	14,269	5,834,135	409	2,461,220	187	2,980,253	209	278,364	0	101,424	80,752	73,003	6,019	541,562	38	12,017,170	842
ONTAS	9,525	4,259,530	447	885,655	93	2,323,461	244	207,522	0	105,164	137,945	63,523	2,123	516,277	54	7,984,923	838
	327,140	106,602,825	326	87,503,783	267	56,599,121	173	3,703,396	15,048,092	2,155,228	597,553	149,940	424,334	22,078,543	67	272,784,237	634
LT	10,756	4,396,275	409	1,229,777	114	2,561,175	238	196,837	275,000	153,092	70,064	72,000	2,017	769,010	71	8,956,237	833
JW	11,508	5,016,443	436	1,440,694	125	2,500,131	217	219,379	0	125,729	132,598	75,000	48,048	600,754	52	9,558,022	831
JLD	5,420	2,119,118	391	445,059	82	1,339,209	247	73,012	249,964	73,747	46,364	31,415	41,870	516,372	95	4,619,758	815
COM	16,071	6,292,699	392	2,348,114	159	3,273,599	204	298,222	194,129	158,532	131,519	74,999	2,932	860,333	54	12,974,745	807
S	29,755	12,034,936	404	3,453,403	116	6,950,002	234	383,375	443,220	445,020	161,162	75,001	3,955	1,511,743	51	23,950,083	805
I	10,034	3,944,866	393	949,156	95	2,648,002	264	185,744	0	130,619	122,527	75,001	1,869	515,760	51	8,057,784	803
IE	10,935	3,715,283	340	1,033,528	95	3,148,509	288	179,757	226,735	117,322	144,393	75,003	3,851	747,061	68	6,844,381	791
I	11,592	4,872,635	420	684,310	59	3,097,011	267	202,015	0	113,743	58,601	61,002	58,223	493,584	43	9,147,540	789
A	7,267	3,182,063	438	608,653	84	1,565,423	215	133,438	0	71,568	72,069	58,196	1,388	334,659	44	5,690,798	783
ILL	38,276	12,735,813	333	7,302,500	191	7,729,995	202	939,702	0	320,578	169,580	90,000	4,651	1,524,511	40	29,292,819	765
	17,419	6,718,813	386	1,827,453	105	3,990,981	229	448,285	0	121,388	137,100	75,008	4,325	788,106	45	13,325,353	765
I	19,094	6,940,268	363	2,995,919	157	3,560,151	186	621,518	0	126,356	154,670	74,997	3,069	980,610	51	14,676,948	758
	8,365	3,456,952	413	909,694	109	1,608,546	192	158,580	0	60,819	81,083	59,750	1,600	361,832	43	6,337,024	758
	8,114	2,738,391	337	746,434	92	1,969,813	243	143,106	326,917	95,466	79,010	40,745	1,004	686,248	85	6,140,886	757
MERT	12,076	3,786,743	314	1,803,950	149	2,576,443	213	157,243	578,587	72,960	61,536	67,133	1,660	939,119	78	9,106,275	754
	168,767	54,403,007	322	39,229,827	232	29,357,601	174	1,994,376	0	1,238,945	279,042	149,998	103,831	3,766,192	22	126,756,627	751
	12,324	4,813,530	391	1,030,664	84	2,886,876	234	205,329	0	100,999	105,504	71,801	2,107	485,740	39	9,216,810	748
	13,230	4,805,447	363	1,244,765	94	2,860,191	216	225,257	474,387	106,997	91,647	74,998	2,218	975,504	74	9,885,907	747
	9,809	3,320,104	338	1,133,038	116	2,232,858	228	135,744	212,997	159,979	81,814	60,883	1,502	632,919	65	7,318,919	746
	8,287	2,539,524	306	1,082,503	131	1,990,391	240	91,794	281,333	65,579	65,443	39,460	975	544,574	66	6,156,992	743
INE	39,907	14,097,198	353	6,877,401	172	7,338,757	184	563,960	0	186,023	185,103	88,201	13,327	1,036,614	26	29,349,970	735
	12,750	3,960,198	311	1,605,801	126	2,756,052	216	127,791	624,998	160,444	51,296	54,981	1,357	1,020,867	80	9,342,918	733
N	12,483	4,607,829	369	1,070,305	86	2,608,536	209	152,062	361,146	97,586	122,490	59,998	1,571	794,853	64	9,081,523	728
	150,979	51,096,745	338	38,612,050	256	17,126,369	113	1,801,525	0	724,975	78,148	149,991	155,117	2,909,756	19	109,744,920	727
R	40,342	13,088,485	324	7,204,732	179	7,784,315	195	501,650	0	222,728	195,192	90,000	35,150	1,044,700	26	29,122,232	722
	14,630	5,491,302	375	1,195,616	82	3,103,111	212	245,766	0	126,133	108,694	69,993	79,843	630,429	43	10,420,458	712
	17,058	6,103,801	358	2,142,493	126	3,397,510	199	224,962	0	113,277	86,883	75,001	5,397	505,500	30	12,169,304	712
SAV	13,295	4,703,584	354	1,189,528	89	3,040,091	229	186,557	0	125,902	62,705	73,002	23,620	471,786	35	9,404,989	707
VISTA	19,965	6,946,271	348	2,697,338	135	3,400,053	170	296,328	345,051	172,181	135,445	75,007	5,135	1,029,167	52	14,072,829	705
ON	14,730	5,155,721	350	1,364,839	93	3,292,022	223	225,958	0	80,000	147,542	87,999	2,223	523,722	36	10,336,304	702
N	15,444	5,459,394	353	2,033,011	132	2,784,147	180	253,988	0	109,855	110,098	72,998	2,666	549,605	36	10,826,157	701
	17,381	6,849,920	394	1,341,149	77	3,296,212	190	278,912	0	158,968	158,552	69,997	2,842	669,271	39	12,156,552	699
	11,589	4,196,894	363	1,060,213	92	2,373,000	205	182,119	0	122,827	46,728	56,989	51,758	460,421	40	8,090,528	699
	11,624	4,165,259	358	867,428	75	2,153,839	185	267,754	373,027	79,978	147,571	61,272	18,027	927,627	80	8,114,153	698
	34,795	11,622,052	334	5,261,790	151	6,398,245	184	464,813	0	194,016	131,504	89,976	55,282	935,611	27	24,217,698	696
	17,585	6,291,198	358	2,620,629	149	2,595,581	148	292,587	0	219,824	94,445	74,987	24,731	708,874	40	12,214,202	695

	1990 POP.	SCHOOL TAXES	PER CAPITA	CITY TAXES	PER CAPITA	COUNTY TAXES	PER CAPITA	MERGED AREA TAXES	HOSPITAL TAXES	ASSESSOR TAXES	TOWNSHIPS TAXES	AG EXTER TAXES	SPECIAL DIST TAXES	SUBTOTAL MISC.	PER CAPITA	TOTAL TAXES	PER CAPITA
RDO	15,128	5,043,277	333	1,817,957	120	2,628,577	174	220,395	553,997	78,363	73,620	74,996	2,170	1,003,541	66	10,493,332	694
D	46,733	15,020,288	321	8,848,402	189	6,985,102	149	584,889	0	520,963	127,986	89,598	117,107	1,440,943	31	32,294,735	691
	12,122	4,321,462	356	1,506,722	126	2,058,377	170	179,563	0	132,396	52,517	68,000	1,923	434,399	36	8,320,960	686
	13,202	5,106,260	387	1,090,334	83	2,430,355	184	195,959	0	113,027	57,828	65,502	1,929	434,245	33	9,061,194	686
	14,098	5,002,406	355	1,731,432	123	2,407,065	171	218,574	0	126,793	112,664	69,278	2,235	529,544	38	9,670,447	686
	21,522	6,584,900	306	2,062,621	96	4,844,437	225	349,066	498,499	124,658	162,329	74,998	2,591	1,212,141	56	14,704,099	683
	22,429	8,320,416	371	1,990,047	89	4,288,513	191	308,100	0	125,194	162,210	74,996	47,949	718,449	32	15,317,425	683
	38,687	11,821,207	306	7,433,767	192	6,227,833	161	429,811	0	219,178	158,898	86,748	6,458	901,093	23	26,383,900	682
	16,775	5,423,832	323	1,875,592	112	3,378,017	201	242,269	175,000	126,504	105,798	70,598	2,445	722,614	43	11,400,055	680
WK	123,798	30,814,954	249	30,923,033	250	19,637,324	159	1,118,076	0	864,973	121,957	124,856	11,113	2,240,975	18	83,616,286	675
K	19,033	6,428,063	338	2,428,713	128	3,123,412	164	513,113	0	209,593	78,366	70,523	2,683	874,278	46	12,854,466	675
	21,423	6,643,742	311	2,604,987	122	4,414,724	206	311,185	0	126,490	117,235	73,001	3,210	631,121	29	14,314,574	668
TAMI	82,628	25,950,975	314	16,860,229	204	10,494,612	127	950,846	0	511,304	240,323	177,498	9,359	1,889,330	23	55,195,146	668
M	19,612	5,998,245	306	1,842,971	94	4,090,338	209	270,694	525,429	133,092	143,710	69,499	13,149	1,155,573	59	13,087,127	667
	15,731	5,605,533	356	1,497,043	95	2,800,318	178	229,249	0	148,734	94,431	74,996	2,273	549,683	35	10,452,577	664
	19,054	6,305,156	331	1,710,064	90	3,972,179	208	231,471	0	135,875	205,402	72,199	2,555	647,502	34	12,634,901	663
	10,928	3,576,516	327	979,310	90	2,082,534	191	162,335	129,047	183,017	56,720	70,694	1,746	603,579	55	7,241,939	663
IS	42,614	12,336,469	289	7,900,802	185	7,007,831	164	469,232	0	206,439	144,773	89,999	18,161	930,604	22	28,175,706	661
	98,276	27,854,018	283	19,890,645	202	14,948,235	152	1,034,992	0	550,985	201,450	150,005	10,423	1,947,855	20	64,640,753	658
	19,226	5,854,725	305	2,231,354	116	3,314,103	172	222,842	599,003	207,116	53,262	70,000	57,572	1,209,795	43	12,809,977	656
	16,870	4,853,728	288	3,049,058	181	2,719,718	161	192,388	0	102,476	67,085	75,285	1,892	439,106	26	11,661,610	656
	18,035	5,959,093	330	1,381,683	77	3,437,319	191	237,610	269,997	161,391	160,998	74,999	5,825	891,020	49	11,669,115	647
	13,855	4,619,475	333	1,445,493	104	2,370,432	171	191,220	0	128,030	139,171	68,001	2,117	526,539	38	8,961,939	647
	25,186	8,720,234	346	3,111,431	124	3,401,586	135	310,771	349,996	137,134	122,046	74,996	3,207	998,150	40	16,231,401	644
	8,312	2,364,688	309	429,278	32	1,609,144	194	111,776	411,390	106,669	67,719	32,835	812	731,201	88	5,334,311	642
	23,388	7,851,557	336	2,803,840	120	3,602,820	154	367,692	0	164,292	95,979	71,195	3,700	702,858	30	14,961,075	640
	7,067	2,285,759	323	566,629	80	1,030,055	146	121,038	362,897	56,321	55,488	35,502	912	632,158	89	4,514,601	639
	16,310	4,784,172	293	1,909,829	117	2,541,151	156	279,523	471,004	184,544	89,445	63,151	2,033	1,089,700	67	10,324,852	633
K	20,847	6,284,888	301	1,998,303	96	3,948,698	189	227,945	203,999	258,310	141,198	74,999	2,523	908,974	44	13,140,863	630
	51,040	16,057,986	315	8,712,186	171	5,948,188	117	640,999	0	295,016	243,934	92,432	10,562	1,282,943	25	32,001,303	627
	21,843	7,494,039	343	2,099,008	96	3,385,488	155	267,228	0	119,241	181,974	74,999	2,930	646,372	30	13,624,907	624
	7,114	2,353,366	331	514,099	72	1,291,362	182	82,878	0	90,076	57,955	35,665	879	267,453	38	4,426,280	622
	8,338	2,381,638	286	876,412	105	1,437,470	172	74,995	205,066	59,388	44,437	32,281	785	416,952	50	5,112,472	613
	22,813	6,707,780	294	2,800,965	123	3,657,815	160	282,687	0	216,834	76,789	75,000	2,607	633,917	28	13,800,477	605
	96,119	25,017,094	260	18,233,045	190	12,880,985	134	1,048,992	0	542,084	245,795	112,490	10,909	1,960,270	20	58,091,394	604
	9,070	2,316,715	255	1,169,502	129	1,318,455	145	121,209	355,835	77,998	62,697	36,394	900	655,033	72	5,459,705	602
	11,952	4,160,478	348	800,300	67	1,820,834	152	188,660	0	76,709	77,987	61,998	1,986	407,340	34	7,188,952	601
	7,676	2,024,654	264	343,648	45	1,693,560	221	113,005	192,000	115,042	58,340	33,199	819	312,405	67	4,574,267	596
	20,844	6,330,603	304	2,049,927	98	3,131,308	150	258,433	290,003	173,415	93,657	75,000	2,614	892,922	43	12,404,760	595
	36,033	11,439,388	317	3,322,178	92	5,336,409	148	342,418	0	157,749	188,787	78,000	127,859	894,813	25	20,992,788	583
	19,444	6,020,037	310	1,327,323	68	3,318,563	171	244,470	0	117,202	107,315	72,093	13,553	554,635	29	11,220,558	577
	35,687	8,329,440	233	5,522,146	155	5,616,967	157	405,474	62,002	106,559	107,077	86,000	2,935	770,047	22	20,238,600	567
	30,001	8,384,942	280	3,072,426	102	4,450,513	148	307,772	0	132,142	153,391	74,995	3,426	671,926	22	16,581,907	553
	86,403	20,552,199	238	12,941,290	150	11,824,301	137	749,955	448,394	431,715	194,843	112,502	8,301	1,945,710	23	47,263,500	547
	74,252	20,154,098	271	9,912,765	134	8,625,213	116	753,218	419,668	433,156	157,017	112,505	7,774	1,883,338	25	40,575,414	546
	19,950	5,534,470	277	1,638,127	82	2,536,643	127	221,920	575,001	129,654	132,835	70,002	26,169	1,155,581	58	10,864,821	545
	29,903	8,563,356	286	3,150,145	105	3,066,001	103	373,072	0	135,105	134,393	83,000	14,417	739,987	23	15,519,489	519
	13,743	3,466,047	252	1,334,059	97	1,599,960	116	149,018	0	94,256	69,932	43,390	1,069	357,665	26	6,757,731	492
	2,776,755	899,396,258	324	468,711,570	169	476,741,237	172	36,957,438	29,219,060	20,050,722	11,797,365	7,344,394	3,101,838	108,470,817	39	1,953,319,832	703

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STATE AID TO LOCAL GOVERNMENT
PER CAPITA BY COUNTY

	County	Fiscal Year 1991 State Aid	Population	Per Capita	
	=====	=====	=====	=====	
TOP	Monroe	\$ 6,641,221	8,114	\$818	
	Adams	\$ 3,572,480	4,866	\$734	
	Ringgold	\$ 3,903,681	5,420	\$720	
	Fremont	\$ 5,810,904	8,226	\$706	
	Greene	\$ 5,847,809	10,045	\$682	
TEN	Tama	\$ 11,857,397	17,419	\$681	
	Lucas	\$ 6,163,185	9,070	\$680	
	Clark	\$ 5,611,876	8,287	\$677	
	Appanoose	\$ 9,306,198	13,743	\$677	
	Hancock	\$ 8,549,411	12,638	\$676	
	BOTTOM	Dickinson	\$ 7,716,010	14,909	\$518
		Polk	\$168,596,741	327,140	\$515
Winneshiek		\$ 10,577,625	20,847	\$507	
Jefferson		\$ 8,182,260	16,310	\$502	
O'Brien		\$ 7,532,544	15,444	\$488	
Dubuque		\$ 40,132,398	86,403	\$464	
Sioux		\$ 12,810,644	29,903	\$428	
Story		\$ 29,397,278	74,252	\$396	
Carroll		\$ 8,217,471	21,423	\$384	
Johnson	\$ 34,308,181	96,119	\$357		

Source: Department of Management

FY91 State General Fund & Lottery
Aid to Local Governments

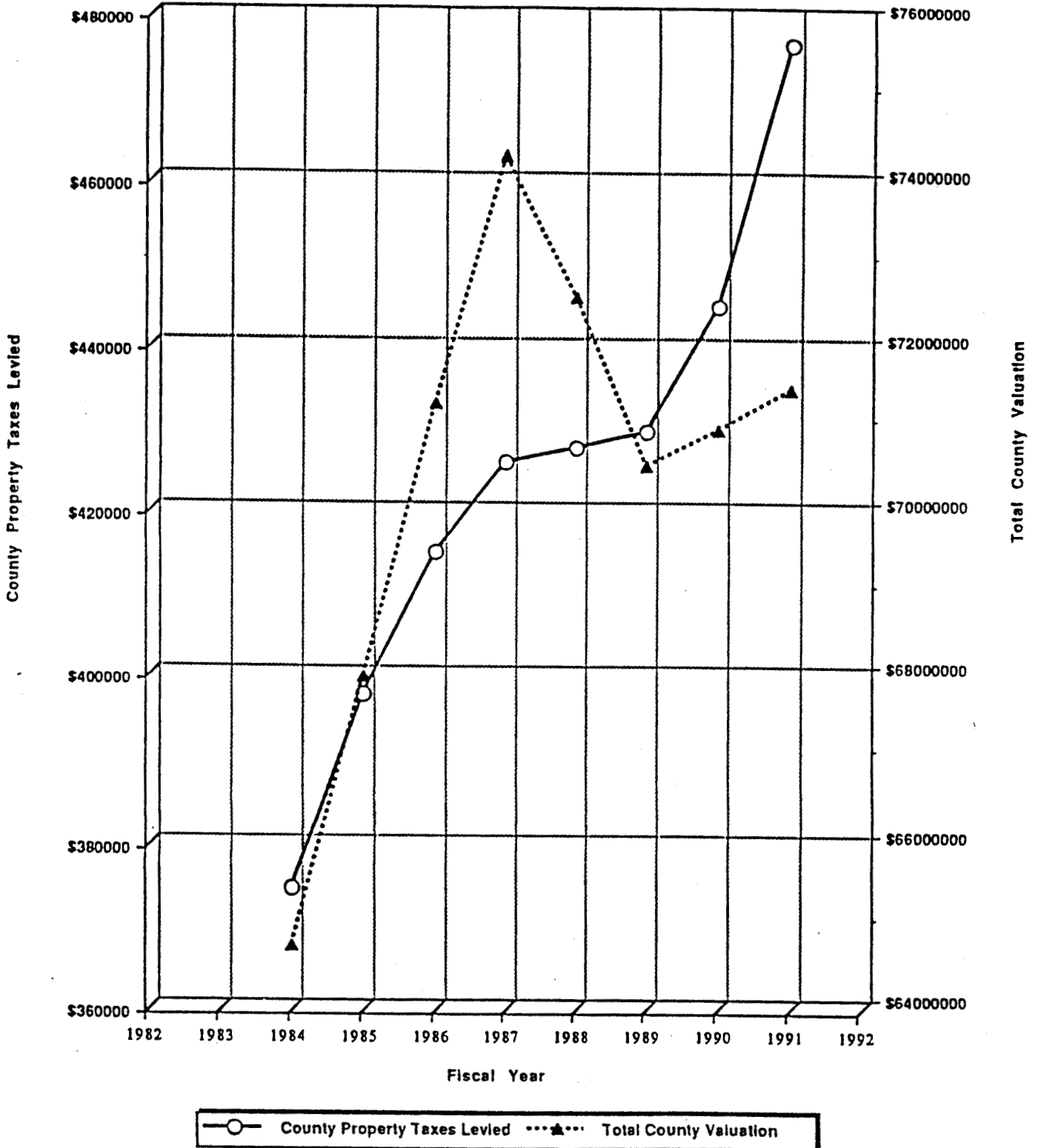
JUNTY	DISTRICT SCHOOL AID	PHASE I	PHASE II	PHASE III	MERGED AREA SCHOOL AID	405A REPLACEMENT	M & E REPLACEMENT	AG LAND CREDIT	ROCHESTER CREDIT	EXTRA ORDINARY CREDIT	FRANCHISE TAX	PEACE OFFICERS RETIREMENT	MILITARY CREDIT	MM/MR/OD ALLOCATION
	4,079,966	26,292	103,872	113,872	560,347	194,950	681,622	148,410	407,025	29,658	24,625	0	9,711	16,331
	2,245,320	114,558	57,403	62,929	264,541	120,060	9,477	200,802	201,905	23,475	12,229	0	6,125	14,964
	2,401,221	195,862	77,297	84,738	243,887	115,780	67	215,827	243,894	22,115	30,351	0	6,868	15,008
	3,827,308	113,661	128,474	140,842	465,350	194,168	4,955	367,781	257,395	27,303	6,915	0	9,848	16,508
	4,212,393	104,302	142,445	156,158	502,582	292,026	11,906	514,239	375,939	13,466	53,375	0	13,421	17,344
	7,675,287	82,554	253,378	277,772	1,089,367	388,922	64,641	719,754	649,677	54,283	79,644	0	21,732	20,742
	4,036,705	70,821	122,551	134,349	478,718	363,239	3,358	131,560	412,903	69,366	4,503	0	10,439	16,816
	3,869,964	92,633	127,866	140,176	301,617	171,424	9,967	184,280	359,398	58,531	20,941	0	9,713	16,508
	6,267,598	118,639	187,851	205,936	600,970	330,758	2,490	147,478	624,129	52,580	97,526	11,756	17,398	21,534
	5,380,836	164,804	181,928	199,443	867,374	278,595	64,498	531,942	408,236	66,116	29,356	0	13,718	18,493
	3,085,239	186,230	109,567	120,115	274,784	183,071	0	270,604	293,748	23,362	7,508	9,700	9,780	15,934
	4,932,087	103,757	174,563	191,369	656,042	335,722	13,126	469,345	435,465	38,483	50,206	7,900	14,600	17,743
	6,035,282	91,778	112,680	233,155	602,786	360,957	7,870	427,122	509,911	39,311	47,484	0	17,835	19,510
	6,073,783	87,480	196,735	215,675	548,132	233,859	171	415,639	388,396	33,310	48,286	0	13,489	18,537
	3,553,328	74,282	119,742	131,269	441,417	195,488	10,518	369,882	278,691	24,952	45,786	0	10,490	16,419
	5,778,355	138,464	218,527	239,565	324,239	238,702	334	316,021	485,810	71,272	40,380	0	13,066	18,184
	4,766,261	67,774	175,171	192,035	889,807	308,836	18,404	520,338	464,033	56,400	102,589	0	14,214	18,228
	9,582,606	197,159	327,562	359,097	957,353	507,977	22,483	753,902	782,950	78,718	93,143	0	25,098	22,639
	3,112,104	112,774	108,276	118,700	450,146	156,743	12,015	242,935	312,016	23,854	38,292	0	9,350	16,243
	4,335,149	159,925	185,573	203,439	972,944	276,095	21,416	365,525	419,183	36,728	55,521	0	14,387	17,919
	3,552,147	38,447	107,897	118,284	447,393	175,047	7,076	242,136	376,551	46,523	14,624	0	8,779	16,464
	4,489,207	56,377	134,092	147,002	791,120	324,199	21,456	512,051	401,260	60,352	65,420	0	12,915	17,831
	15,641,141	147,841	585,028	641,306	1,590,590	994,986	46,932	267,390	1,892,109	95,282	148,458	59,098	49,022	28,770
	17,860,392	146,173	532,193	703,764	583,429	588,618	5,510	445,016	1,284,405	90,056	39,731	3,263	35,856	28,814
	4,950,845	56,930	221,564	242,894	620,278	217,821	4,172	361,957	344,026	53,634	8,855	0	12,596	17,919
	16,580,762	117,376	580,442	636,292	1,902,198	1,087,700	187,266	574,810	1,658,096	106,525	128,917	91,026	46,953	30,005
	9,749,440	82,017	335,003	367,255	593,893	404,312	52,051	750,009	792,517	114,350	73,697	4,844	25,547	22,595
	8,372,608	113,601	435,864	477,752	479,343	407,896	22,211	539,158	676,573	148,978	74,465	0	20,129	21,536
	6,391,086	141,450	225,664	247,389	607,788	319,872	8,107	482,246	512,497	68,802	71,018	0	15,914	19,639
	3,418,734	70,487	87,016	95,393	427,454	221,055	7,240	364,954	320,677	29,613	50,099	0	9,924	16,373
	4,115,542	185,852	188,458	206,602	523,703	280,238	3,106	570,039	450,450	29,627	79,375	0	14,524	17,963
	2,770,409	170,887	91,496	100,304	477,503	157,673	21,167	191,706	270,411	30,894	9,112	0	8,907	15,758
	7,066,493	160,555	254,366	278,854	672,997	430,769	39,496	485,267	555,355	60,990	63,050	0	17,362	20,742
	23,185,570	165,161	723,841	793,527	1,631,422	1,238,880	387,830	812,316	1,843,797	126,319	194,851	99,378	62,244	35,959
	9,280,914	27,133	255,277	279,853	869,217	460,130	24,705	647,587	723,979	72,492	61,900	0	22,907	22,242
	8,020,365	63,452	264,388	289,842	505,341	370,628	23,222	527,046	536,172	83,800	67,572	0	17,084	20,830
	3,709,604	117,681	124,677	136,680	496,356	257,081	2,775	444,877	304,319	16,306	49,794	0	12,730	17,169
	8,912,625	114,151	270,235	296,251	549,463	387,092	13,475	473,650	666,903	106,714	83,580	8,744	21,333	22,198
	18,251,270	81,049	659,394	722,840	1,811,403	1,166,466	282,530	325,778	1,689,246	184,824	106,564	77,034	54,050	34,626
	6,460,911	130,481	208,124	228,161	778,188	327,388	4,026	572,493	601,166	74,033	39,606	0	18,328	19,816
	3,501,049	128,586	111,162	121,863	251,396	185,688	7,388	190,545	374,203	43,861	39,739	0	8,212	16,419
	5,365,929	84,186	228,186	250,133	431,222	309,509	25,440	214,372	586,659	59,076	43,907	18,624	12,678	18,316
	3,188,129	15,758	88,686	97,224	448,575	181,210	4,621	338,617	293,780	42,180	19,681	0	9,797	16,419
	2,748,497	65,748	91,723	100,554	279,241	205,204	1,707	317,856	298,751	27,725	25,585	0	9,598	15,978
	37,360,361	208,343	1,304,383	1,429,901	2,563,540	1,582,610	67,565	712,301	3,082,252	387,238	232,431	252,843	94,671	51,441
	7,016,962	115,441	257,023	281,767	1,045,044	480,678	32,819	452,717	522,133	46,408	64,939	7,034	28,389	28,610
	6,958,968	48,685	241,230	264,453	692,835	466,117	53,850	491,510	657,316	62,607	116,905	24,559	21,030	20,810
	6,791,077	105,226	274,031	300,413	810,193	350,387	11,975	604,772	485,715	56,393	45,758	0	18,209	20,610
	17,591,745	74,470	579,194	634,955	1,415,163	882,596	346,368	424,662	1,294,461	174,656	113,996	50,022	39,503	30,754
	4,935,567	166,177	181,321	198,777	491,011	271,880	4,421	426,994	445,577	27,185	104,740	0	15,820	18,184
	5,546,181	22,573	181,017	198,444	442,026	345,557	41,739	422,023	469,478	89,974	44,435	0	14,453	18,934
	3,704,849	148,245	140,091	153,578	530,365	254,796	1,308	413,814	351,656	61,104	69,167	0	13,581	17,213

COUNTY	ENHANCED SERVICES	REGIONAL LIBRARIES	SUBSTANCE ABUSE	HOME MAKER GRANTS	PHN GRANTS	WELL ELDERLY CLINICS	REAP GRANTS	ENS TRAINING	ENS EQUIPMENT	Assumption of Court Costs	FISCAL YEAR 1991 STATE AID	POPULATION	PER CAPITA
ALCOE	1,765	14,674	0	41,900	15,670	0	16,099	3,923	0	150,489	6,641,221	8,114	\$818
ANDERSON	0	9,301	70,735	33,062	12,556	0	14,625	4,061	4,104	90,249	3,572,480	4,866	\$734
ANGOLD	2,454	9,301	0	37,015	13,929	0	77,801	4,825	4,937	100,524	3,903,681	5,420	\$720
ARIZONA	0	9,301	0	41,168	16,177	7,378	12,415	5,631	5,560	152,566	5,810,904	8,226	\$706
BARRETT	280	25,049	1,644	53,970	18,775	7,957	133,006	5,319	5,709	186,303	6,847,809	10,045	\$682
BEAUFORT	6,039	20,901	0	61,069	24,092	7,840	20,325	8,062	8,250	323,067	11,857,397	17,419	\$681
BEVERLY	3,038	9,301	0	46,907	16,970	0	55,030	3,999	4,390	168,220	6,163,185	9,070	\$680
BLOOMINGDALE	5,126	9,301	0	44,110	14,757	5,687	16,178	0	0	153,698	5,611,876	8,287	\$677
BONNEVILLE	968	14,674	238,269	64,318	22,279	0	18,655	5,504	0	254,889	9,306,198	13,743	\$677
BREWER	3,754	12,171	5,749	47,868	17,761	0	22,375	0	0	234,395	8,549,411	12,638	\$676
BREWER	0	9,301	0	45,643	16,266	0	18,025	5,371	5,359	131,942	4,811,850	7,114	\$676
BREWER	0	11,140	400	49,898	17,508	0	21,350	3,896	4,392	214,568	7,763,559	11,569	\$671
BREWER	399	11,140	387,766	53,869	20,288	0	54,850	5,875	6,303	261,473	9,407,241	14,098	\$667
BREWER	3,951	9,301	125,558	49,025	16,195	5,892	22,663	4,832	5,106	244,855	8,760,871	13,202	\$664
BREWER	1,146	11,140	0	39,066	15,338	21,019	16,213	4,949	4,829	155,144	5,539,309	8,365	\$662
BREWER	2,529	25,049	10,000	51,000	17,915	0	18,083	5,644	5,907	231,520	8,250,565	12,483	\$661
BREWER	7,792	16,269	10,000	32,465	18,493	0	17,877	6,058	0	223,100	7,926,144	12,029	\$659
BREWER	0	20,901	449,044	69,581	25,297	0	22,599	8,478	8,745	415,987	14,731,244	22,429	\$657
BREWER	697	14,674	0	42,352	15,538	5,823	61,926	5,203	5,143	142,365	5,007,370	7,676	\$652
BREWER	2,134	14,674	0	49,023	19,889	0	190,413	6,906	6,696	215,588	7,569,128	11,624	\$651
BREWER	0	14,674	0	40,636	15,653	5,803	16,189	4,692	0	154,161	5,403,175	8,312	\$650
BREWER	4,429	12,171	10,000	50,664	18,521	7,433	21,320	5,728	6,057	210,766	7,380,371	11,364	\$649
BREWER	2,417	14,674	0	138,390	41,941	11,963	40,237	6,052	0	661,881	23,125,708	35,687	\$648
BREWER	0	25,049	152,274	75,563	23,967	8,377	28,777	8,232	8,792	668,298	23,348,549	36,033	\$648
BREWER	0	14,674	1,930	42,813	15,703	0	92,679	5,634	5,327	214,995	7,509,247	11,592	\$648
BREWER	2,078	25,049	8,918	106,645	36,956	11,034	149,218	7,361	8,781	709,898	24,794,286	38,276	\$648
BREWER	2,278	16,269	250	78,849	28,377	8,859	22,333	8,385	8,844	405,118	14,147,092	21,843	\$648
BREWER	716	16,269	18,522	72,762	25,166	8,014	21,067	10,295	9,818	353,391	12,326,133	19,054	\$647
BREWER	12,002	9,301	1,250	70,918	21,716	10,032	19,104	7,683	7,750	273,195	9,518,423	14,730	\$646
BREWER	0	9,301	51,509	45,426	16,798	7,452	16,233	5,925	5,885	155,960	5,433,511	8,409	\$646
BREWER	0	11,140	343,844	55,138	20,306	16,776	71,363	7,027	6,777	213,437	7,411,308	11,508	\$644
BREWER	992	9,301	0	43,937	16,680	0	15,624	5,353	5,352	131,070	4,544,535	7,067	\$643
BREWER	13,711	11,140	110,918	64,601	21,390	0	115,841	7,536	7,899	311,123	10,770,454	16,775	\$642
BREWER	2,178	20,901	190,984	152,193	45,925	12,763	52,381	8,156	10,632	946,630	32,743,838	51,040	\$642
BREWER	4,165	16,269	10,000	52,333	22,628	0	21,880	5,473	7,820	386,590	13,275,494	20,844	\$637
BREWER	3,418	16,269	175,096	67,308	20,163	6,464	20,604	7,154	7,200	334,492	11,447,911	18,035	\$635
BREWER	0	11,140	300	51,202	17,851	8,595	55,980	6,499	6,371	176,659	6,024,647	9,525	\$635
BREWER	13,343	20,901	0	73,391	23,563	0	142,704	8,173	8,250	370,009	12,586,249	19,950	\$631
BREWER	3,265	14,674	409,949	129,969	40,520	0	31,765	6,074	0	790,355	26,873,705	42,614	\$631
BREWER	3,721	16,269	3,750	58,687	21,790	0	19,558	8,206	7,750	291,760	9,894,210	15,731	\$629
BREWER	2,011	9,301	0	47,830	16,348	5,964	16,201	5,041	5,271	154,643	5,242,722	8,338	\$629
BREWER	0	9,301	0	58,686	19,678	6,821	18,204	3,974	0	236,472	8,001,373	12,750	\$628
BREWER	4,486	12,171	3,709	38,486	15,289	19,849	16,045	4,811	4,658	148,208	5,009,474	7,991	\$627
BREWER	5,552	9,301	197,715	16,941	15,221	0	18,157	4,187	4,431	136,022	4,594,085	7,334	\$626
BREWER	12,165	9,301	18,800	241,317	61,866	16,343	399,864	12,871	16,110	1,532,487	51,651,003	82,628	\$625
BREWER	3,661	11,140	588	66,434	20,998	0	144,269	5,483	6,285	326,146	10,947,034	17,585	\$623
BREWER	5,266	12,171	8,889	67,516	22,836	7,654	20,161	5,890	6,293	316,372	10,593,723	17,058	\$621
BREWER	3,123	20,901	388,146	61,734	21,465	0	52,052	7,660	7,512	322,362	10,766,712	17,381	\$619
BREWER	1,047	14,674	75,395	110,014	32,992	9,493	43,581	7,430	8,308	740,148	24,695,628	39,907	\$619
BREWER	7,828	11,140	0	41,203	20,393	0	12,415	6,413	6,489	228,371	7,622,107	12,324	\$618
BREWER	1,641	16,269	1,650	52,463	18,628	6,630	18,452	6,085	6,143	246,580	8,211,373	13,295	\$618
BREWER	1,713	11,140	1,000	47,920	19,064	7,984	16,971	6,395	6,728	186,099	6,164,782	10,034	\$614

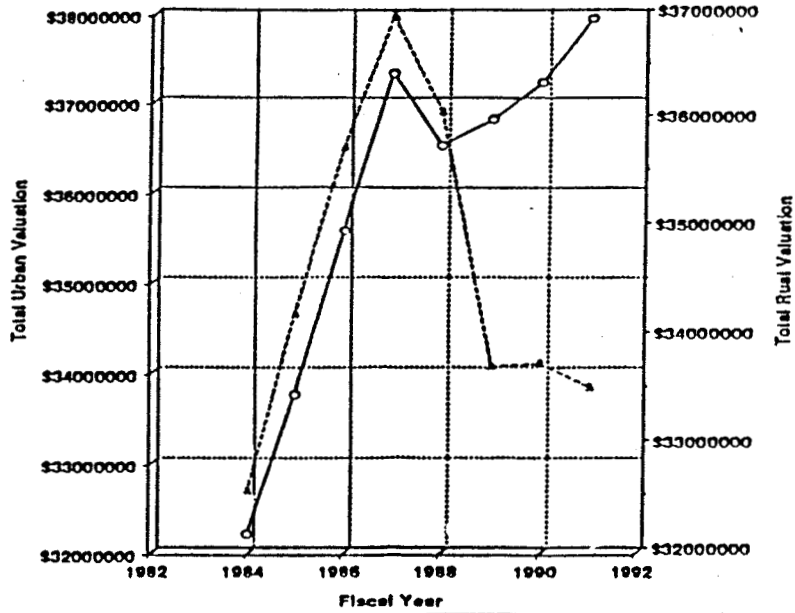
COUNTY	DISTRICT SCHOOL AID	PHASE I	PHASE II	PHASE III	MERGED AREA SCHOOL AID	405A REPLACEMENT	M & E REPLACEMENT	AG LAND CREDIT	HOMESTEAD CREDIT	EXTRA ORDINARY CREDIT	FRANCHISE TAX	PEACE OFFICERS RETIREMENT	MILITARY CREDIT	HW/HR/DO ALLOCATION
PER	14,774,933	152,919	484,433	531,071	951,208	963,881	80,970	669,244	1,309,736	155,564	125,684	52,474	39,339	28,593
S	5,926,457	152,827	245,406	269,032	589,864	377,684	11,006	371,557	575,469	69,166	87,712	0	17,966	19,463
O ALTO	3,601,437	116,168	208,308	228,336	804,696	255,477	3,288	454,883	373,350	35,526	50,531	0	13,422	17,522
HER	9,123,842	85,805	428,169	469,390	953,738	483,165	37,287	399,627	859,513	110,810	106,221	11,014	23,164	22,903
LBY	5,141,463	122,062	172,741	189,371	600,355	336,463	834	493,134	449,459	33,290	93,062	0	14,604	19,845
LAS	12,322,124	184,444	489,824	536,981	775,051	578,511	9,264	571,148	1,270,588	141,358	111,993	0	32,767	26,035
H	4,719,002	106,558	174,411	191,202	497,526	235,275	3,266	487,062	325,960	42,453	63,778	0	11,803	18,007
RLEN	4,351,973	138,847	217,843	238,816	673,966	332,331	9,976	474,554	536,437	42,948	46,850	0	19,080	19,507
YCOMERT	4,697,519	78,515	165,983	181,963	505,533	297,220	30,392	277,820	510,690	47,017	45,752	0	14,462	18,007
TT	63,655,985	92,225	2,291,139	2,511,617	4,553,693	3,590,272	584,534	578,747	5,548,037	416,424	1,229,991	331,287	160,997	81,169
YMAKKEE	5,343,878	74,863	210,934	231,241	403,691	322,725	12,874	345,297	430,360	114,293	62,046	0	13,876	19,198
YBURY	40,787,401	282,031	1,452,387	1,592,151	2,936,708	2,490,813	197,128	510,869	3,832,060	345,637	134,577	271,289	110,430	56,072
YRIE	4,141,617	142,295	183,827	201,524	403,691	245,133	1,299	280,661	423,718	38,585	28,575	0	14,337	17,478
YIN	6,197,996	149,404	297,266	325,885	1,249,130	487,772	70,148	589,115	728,418	99,431	131,605	0	24,582	21,359
YOLT	3,924,125	47,902	146,013	160,071	473,596	311,628	5,188	393,291	378,563	24,388	5,263	0	14,347	17,810
YK HAWK	48,422,141	200,452	1,558,791	1,708,795	4,037,673	3,436,195	441,021	629,438	5,647,544	569,121	334,341	477,364	142,608	67,540
YK	9,895,622	131,697	300,227	329,131	620,492	493,670	26,037	529,361	970,781	122,252	92,777	26,199	29,102	23,830
YLTON	5,688,808	54,235	234,776	257,378	707,314	497,907	42,784	522,956	534,223	68,835	111,035	11,383	19,161	20,080
YRD	3,460,069	35,908	157,555	172,723	358,455	286,496	8,766	337,641	416,009	71,419	63,479	0	10,837	17,258
YSKA	7,885,928	79,942	253,075	277,439	1,328,615	462,642	19,446	362,429	815,687	80,752	19,364	30,914	22,363	22,506
YS	7,408,991	104,304	253,075	240,147	730,792	394,680	13,582	542,069	544,406	89,713	197,677	0	19,697	21,359
YHT	4,601,128	110,406	208,883	228,993	703,243	425,908	188,187	493,483	533,284	45,438	115,612	0	17,666	19,110
	6,308,005	103,288	240,318	263,455	515,657	402,770	2,958	343,085	719,095	73,495	66,150	0	20,166	20,446
	14,487,539	63,878	480,865	527,159	1,623,023	1,008,743	340,139	346,507	1,551,332	123,920	98,249	73,417	47,030	30,446
YHELL	3,661,855	35,192	137,281	150,498	477,514	282,063	13,325	335,354	371,280	35,544	70,122	0	13,165	17,699
YINGTON	6,996,458	65,031	278,359	305,158	846,402	388,100	90,128	370,910	674,727	85,343	69,175	0	18,193	20,918
YSHIEK	6,842,493	62,083	258,314	283,182	871,071	472,505	29,008	501,717	623,856	67,473	93,509	0	19,504	21,492
	6,519,639	139,828	228,246	250,219	1,084,806	414,526	57,398	398,627	580,135	77,057	82,753	11,375	19,663	20,963
	4,708,830	110,260	203,568	223,166	764,353	374,312	133,489	425,170	454,691	61,453	59,767	0	16,594	19,110
	61,634,879	270,313	2,378,478	2,607,354	6,185,112	4,519,779	650,050	702,243	6,286,413	634,268	515,278	477,076	191,073	88,270
YTER	14,407,301	152,059	556,609	610,148	1,194,192	1,029,124	35,347	714,042	1,609,918	154,723	183,829	100,890	49,033	31,019
Y A VISTA	6,747,630	110,685	241,989	265,286	721,869	451,801	164,354	471,943	623,507	76,589	120,092	4,825	22,775	26,922
Y O GORDO	16,222,383	216,767	635,543	696,688	1,810,807	1,170,582	231,090	520,256	1,652,310	263,984	54,381	77,770	58,793	33,842
YBAGO	3,863,528	46,758	211,237	231,574	549,515	350,435	11,167	336,783	425,284	53,118	53,307	0	12,367	18,096
YJTN	5,149,265	107,258	210,630	230,908	1,557,484	488,093	21,293	724,520	598,019	64,167	95,816	0	21,843	21,315
YDN	11,157,104	112,071	408,807	448,164	628,040	534,019	191,639	358,094	956,324	102,881	107,188	19,866	27,401	25,947
YOUTH	7,723,293	158,648	309,491	339,286	1,046,093	472,877	31,313	574,009	651,335	95,300	118,142	7,917	24,247	23,256
YNSOW	4,221,898	69,363	212,984	233,488	1,345,008	280,863	5,882	265,518	494,612	98,885	56,923	0	20,301	19,375
	114,999,818	453,862	4,388,834	4,811,166	7,723,047	9,505,491	470,003	412,136	13,627,212	1,446,176	866,130	620,597	327,217	164,163
YESWIEK	7,034,199	52,606	198,253	217,340	481,825	505,652	22,848	504,490	650,044	135,401	178,123	12,046	18,208	22,286
YERSON	4,879,538	22,613	150,645	165,148	1,111,441	371,097	158,247	264,854	475,739	58,096	52,037	22,828	13,371	19,992
YJLA	2,712,308	15,544	72,285	79,244	371,389	186,195	22,786	325,791	237,767	19,384	12,007	0	9,252	15,978
YJUE	27,672,114	47,580	932,572	1,022,354	1,574,765	2,155,796	227,588	366,242	2,926,565	353,279	321,847	168,302	90,964	52,720
YJ	7,812,629	193,685	345,119	378,320	982,458	575,443	23,600	627,410	795,018	115,365	94,681	0	26,817	25,947
YJ	19,656,115	180,166	759,756	734,427	1,543,897	1,432,086	81,790	643,190	1,642,080	157,282	291,742	56,953	51,936	44,339
YJLL	4,457,915	116,499	226,271	248,055	645,405	463,576	45,870	386,369	668,599	96,264	106,950	10,097	23,208	25,066
YJON	21,519,427	128,349	840,317	921,217	3,295,549	1,817,843	202,862	389,909	2,050,701	182,563	632,518	93,332	56,967	50,867
	1,050,234,613	11,352,681	38,216,364	41,758,867	101,067,459	67,736,999	7,775,760	43,495,610	101,454,250	10,918,495	10,906,472	3,686,842	3,011,089	2,520,370

COUNTY	ENHANCED SERVICES	REGIONAL LIBRARIES	SUBSTANCE ABUSE	HOME MAKER GRANTS	PNW GRANTS	WELL ELDERLY CLINICS	REAP GRANTS	EMS TRAINING	EMS EQUIPMENT	Assumption of Court Costs	FISCAL YEAR 1991 STATE AID	POPULATION	PER CAPITA
JASPER	13,649	25,049	115,969	114,658	33,134	0	28,215	7,040	0	645,337	21,303,081	34,795	\$612
JASS	6,240	9,301	57,994	65,130	22,852	6,700	24,204	5,767	6,240	280,576	9,199,042	15,128	\$608
JALO ALTO	3,493	11,140	0	50,390	18,125	7,279	17,260	3,848	5,822	197,876	6,478,379	10,669	\$607
JREMER	3,404	16,269	21,850	60,337	23,596	8,185	142,274	7,014	7,054	423,109	13,827,740	22,813	\$606
JHELBY	3,394	9,301	1,000	26,003	19,746	0	22,897	6,079	6,389	245,375	8,007,066	13,230	\$605
JALLAS	2,924	25,049	39,710	85,633	26,986	9,003	157,556	8,821	8,912	551,861	17,966,542	29,753	\$604
JYOM	2,283	11,140	387	48,677	17,508	0	18,231	6,225	6,337	221,672	7,208,763	11,952	\$603
JMBRIEN	3,377	11,140	1,104	60,171	21,983	7,416	24,379	6,625	6,783	286,437	7,532,544	15,444	\$599
JMONTGOMERY	2,398	9,301	0	55,193	19,831	8,252	17,898	4,273	4,705	223,972	7,216,694	12,076	\$598
JODIT	61,036	14,674	513,803	334,171	87,396	22,879	80,971	8,946	16,902	2,800,182	89,565,077	150,979	\$593
JLLAMAKEE	2,278	16,269	167,406	58,117	20,463	7,763	23,435	6,813	6,975	256,966	8,151,761	13,855	\$588
JOODBURY	5,810	11,140	85,853	289,661	79,486	21,397	345,936	10,329	15,228	1,822,708	57,687,102	98,276	\$587
JUTHRIE	712	9,301	1,625	56,505	19,314	8,841	17,380	6,753	6,605	202,810	6,410,665	10,935	\$586
JARDIN	3,065	12,171	206,716	69,419	25,958	9,145	79,585	6,771	6,605	354,133	11,146,448	19,094	\$584
JAMBOLT	4,592	12,171	300	48,622	17,544	7,252	20,886	4,579	0	199,490	6,217,421	10,756	\$578
JLACK HAWK	56,458	16,269	420,670	348,903	85,752	22,823	431,673	5,688	15,398	2,296,060	71,392,718	123,798	\$577
JCOME	0	25,049	106,400	92,408	28,520	8,491	148,721	7,049	7,610	467,120	14,482,545	25,186	\$575
JAMILTON	5,615	12,171	5,633	63,311	21,390	7,385	19,712	5,913	6,443	298,066	9,216,515	16,071	\$573
JWARD	1,732	16,269	0	50,038	18,022	8,524	16,869	4,738	4,986	181,926	5,624,717	9,809	\$573
JANASKA	0	14,674	0	75,419	26,175	0	107,938	4,625	0	399,165	12,289,098	21,522	\$571
JONES	0	20,901	0	63,981	21,758	0	27,528	6,639	7,046	360,625	11,068,971	19,444	\$569
JRIGHT	7,417	12,171	300	61,915	22,115	7,479	18,894	5,141	5,905	264,646	8,097,325	14,269	\$567
JAGE	4,750	9,301	0	72,961	25,148	0	20,075	5,136	5,938	312,885	9,534,805	16,870	\$565
JEE	0	14,674	5,500	131,124	38,115	11,404	29,982	7,445	8,770	717,521	21,766,780	38,687	\$563
JITCHELL	9,117	12,171	6,606	55,753	18,547	7,188	182,927	5,081	5,245	202,680	6,106,207	10,928	\$559
JENRY	3,509	14,674	2,750	63,741	21,676	7,393	21,145	5,721	5,941	356,581	10,712,033	19,226	\$557
JASKINGTON	3,650	14,674	10,000	65,385	23,939	7,767	127,700	7,013	7,184	343,740	10,777,259	19,612	\$550
JMESNIEK	0	20,901	0	65,582	22,079	7,431	21,057	6,294	6,792	353,002	10,308,374	19,033	\$546
JJA	0	20,901	8,333	44,330	19,763	6,992	23,724	7,613	7,276	271,340	7,965,236	14,630	\$544
JJWA	41,554	20,901	93,256	381,071	99,511	25,869	362,798	12,823	0	3,130,093	91,308,463	168,767	\$541
JEBSTER	0	12,171	300	141,150	41,961	0	12,415	8,701	10,307	748,216	21,803,455	40,342	\$540
JJENA VISTA	0	11,140	216,784	70,309	24,208	0	27,861	6,605	0	370,287	10,777,459	19,965	\$540
JJERRO GORDO	10,698	12,171	343,011	142,031	43,517	12,636	33,635	6,325	8,639	866,749	25,124,607	46,733	\$538
JJNEBAGO	5,216	12,171	7,037	48,060	18,301	0	21,855	0	0	224,825	6,500,634	12,122	\$536
JJSUTR	12,039	12,171	10,000	67,651	24,567	8,788	27,110	6,993	10,365	344,804	9,815,099	18,591	\$528
JJRIOM	1,931	25,049	10,000	100,828	28,959	0	26,038	6,498	0	556,423	15,833,271	30,001	\$528
JJMOUTR	0	11,140	0	76,672	25,950	0	87,924	9,383	9,816	433,773	12,229,865	23,388	\$523
JJCKINSON	509	11,140	469	59,325	20,420	7,913	24,041	5,293	5,286	276,515	7,716,010	14,909	\$518
JJLK	109,709	25,049	896,201	803,146	181,766	25,000	660,961	11,647	0	6,067,410	168,596,741	327,140	\$515
JJMESNIEK	2,285	16,269	333	69,220	23,428	8,281	21,881	7,810	8,151	386,646	10,577,625	20,647	\$507
JJFERSON	2,197	14,674	0	48,276	19,684	0	19,821	4,433	5,030	302,499	8,182,260	16,310	\$502
JJCEOLA	2,844	11,140	251	38,467	14,350	0	61,980	3,785	4,023	134,780	4,351,550	7,267	\$488
JJBOUJE	73,879	16,269	27,012	203,726	62,329	17,256	186,248	11,099	14,390	1,602,502	40,132,398	86,403	\$464
JJUX	10,142	11,140	54,998	80,068	27,802	23,636	35,578	8,837	8,837	554,606	12,810,644	29,903	\$428
JJRY	9,960	25,049	238,151	145,072	41,216	10,964	254,581	8,180	11,206	1,377,139	29,397,278	74,252	\$396
JJROLL	7,570	11,140	3,263	69,004	24,556	0	172,143	6,964	7,358	397,329	8,217,471	21,423	\$384
JJHNSON	17,490	20,901	10,000	162,797	43,700	11,757	56,060	8,301	12,049	1,782,703	34,308,181	96,119	\$357
JJAL	678,404	1,437,709	7,175,526	8,659,889	2,749,259	644,988	6,893,719	630,779	608,078	51,500,000	1,575,114,222	2,776,755	\$567

County Property Taxes Levied Compared to Total County Valuation



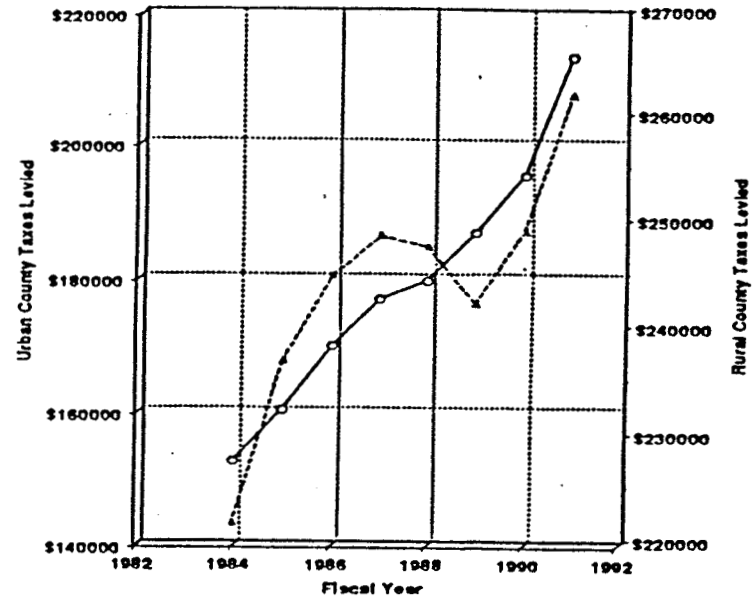
TOTAL URBAN VALUATION
Compared To
TOTAL RURAL VALUATION



Source: Department of Management

—○— Total Urban Valuation
- - -△- - Total Rural Valuation

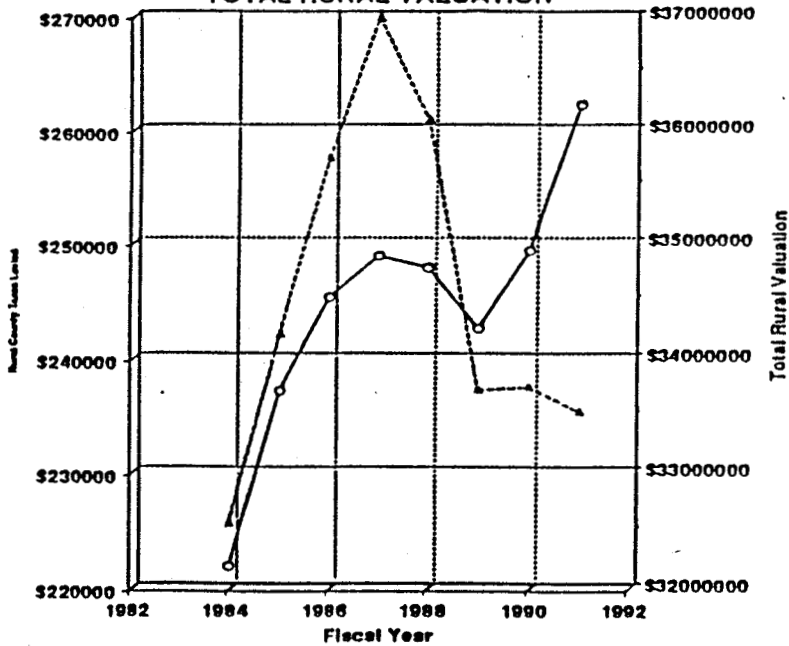
URBAN COUNTY PROPERTY TAXES LEVIED
Compared to
RURAL COUNTY PROPERTY TAXES LEVIED



Source: Department of Management

—○— Urban County Taxes Levied
- - -△- - Rural County Taxes Levied

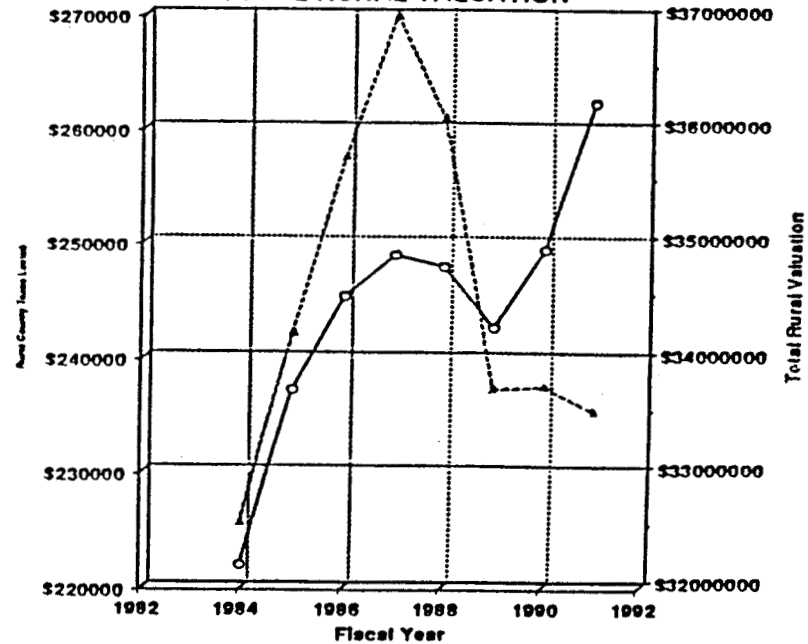
RURAL COUNTY PROPERTY TAXES LEVIED
Compared To
TOTAL RURAL VALUATION



Source: Department of Management

—○— Rural Property Taxes Levied

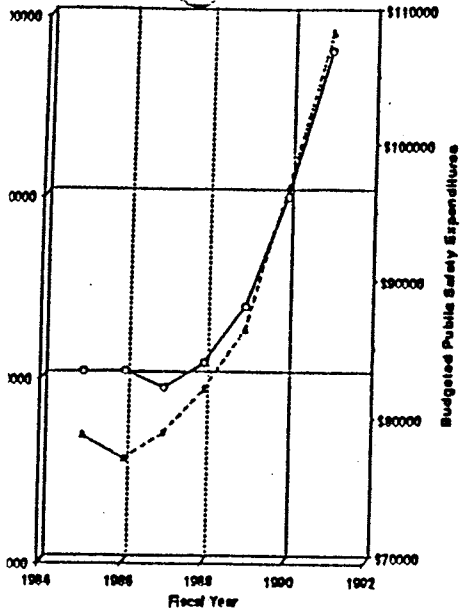
RURAL COUNTY PROPERTY TAXES LEVIED
Compared To
TOTAL RURAL VALUATION



Source: Department of Management

—○— Rural Property Taxes Levied

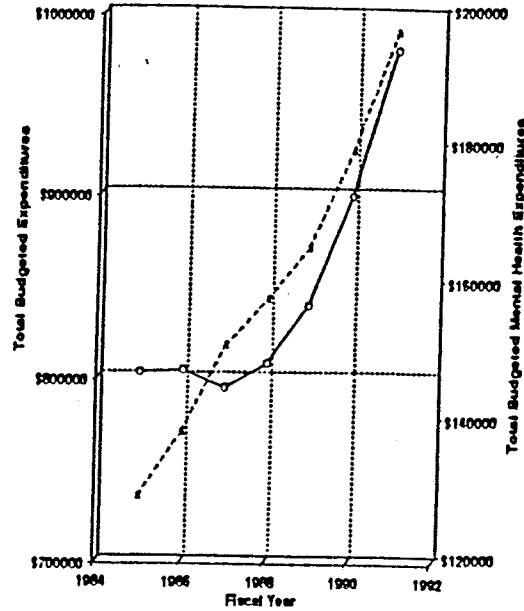
COUNTY BUDGETED EXPENDITURE COMPARISON
PUBLIC SAFETY



Source: Department of Management

○ Total Budgeted Expenditures
- - - Budgeted Public Safety Expenditures

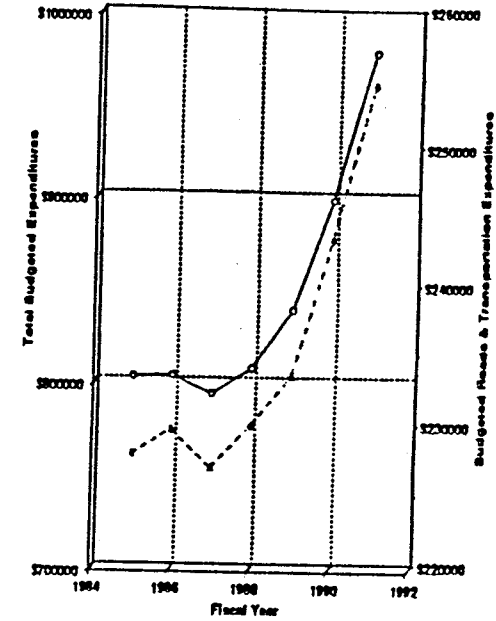
COUNTY BUDGETED EXPENDITURE COMPARISON
MENTAL HEALTH



Source: Department of Management

○ Total Budgeted Expenditures
- - - Total Budgeted Mental Health Expenditures

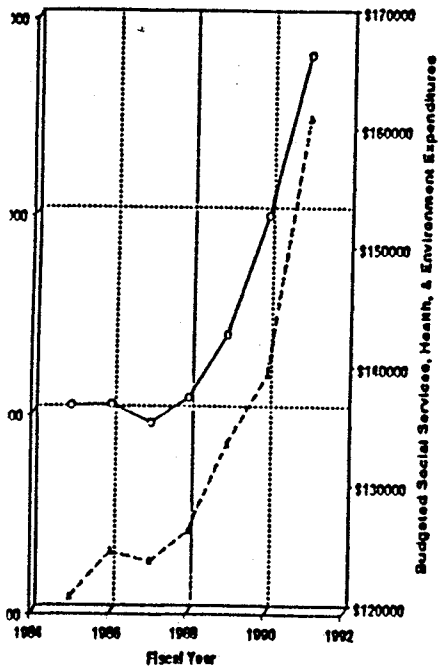
COUNTY BUDGETED EXPENDITURE COMPARISON
ROADS & TRANSPORTATION



Source: Department of Management

○ Total Budgeted Expenditures
- - - Total Budgeted Roads & Transportation Expenditures

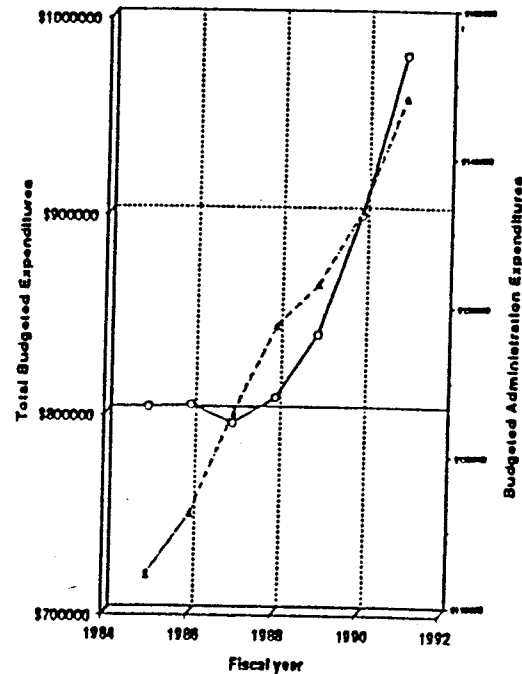
COUNTY BUDGETED EXPENDITURE COMPARISON
SOCIAL SERVICES, HEALTH, & ENVIRONMENT



Source: Department of Management

○ Total Budgeted Expenditures
- - - Budgeted Social Services, Health, & Environment Expenditures

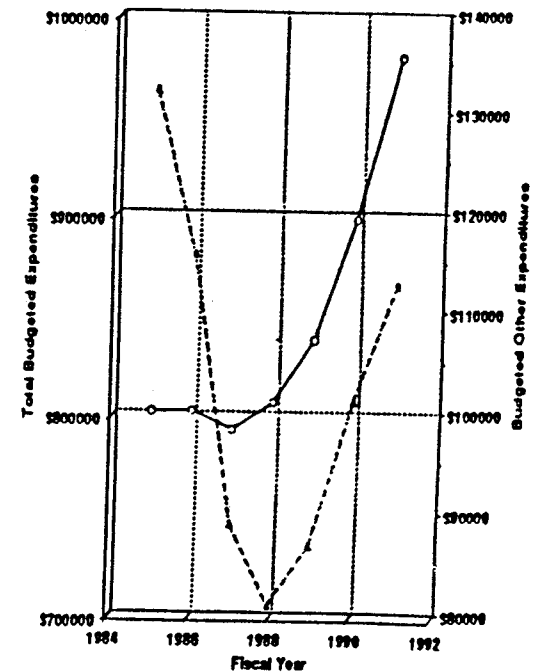
COUNTY BUDGETED EXPENDITURE COMPARISON
ADMINISTRATION



Source: Department of Management

○ Total Budgeted Expenditures
- - - Budgeted Administration Expenditures

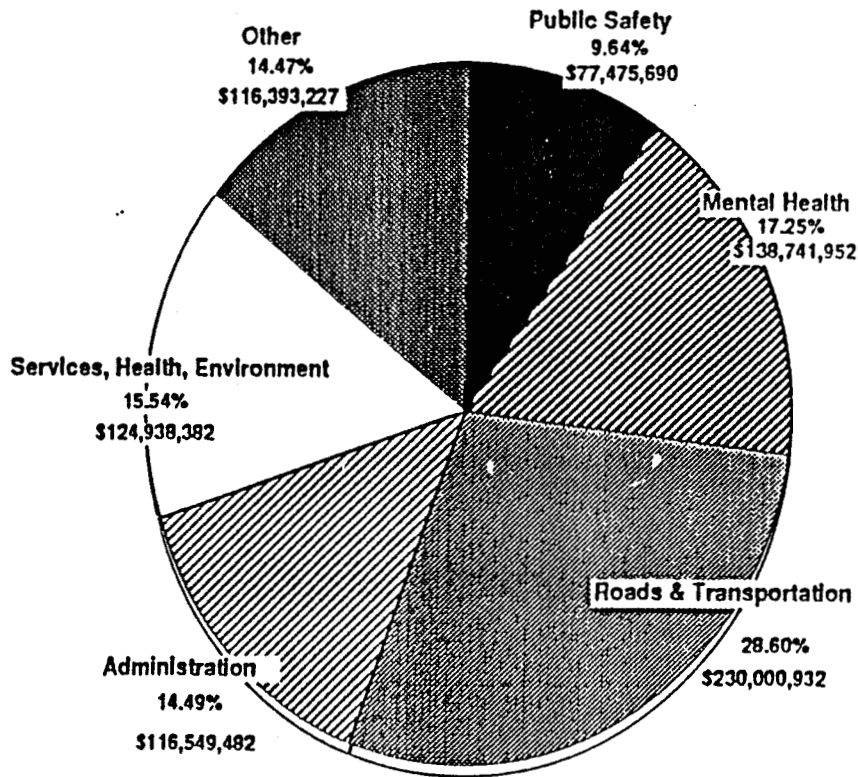
COUNTY BUDGETED EXPENDITURE COMPARISON
OTHER EXPENDITURES



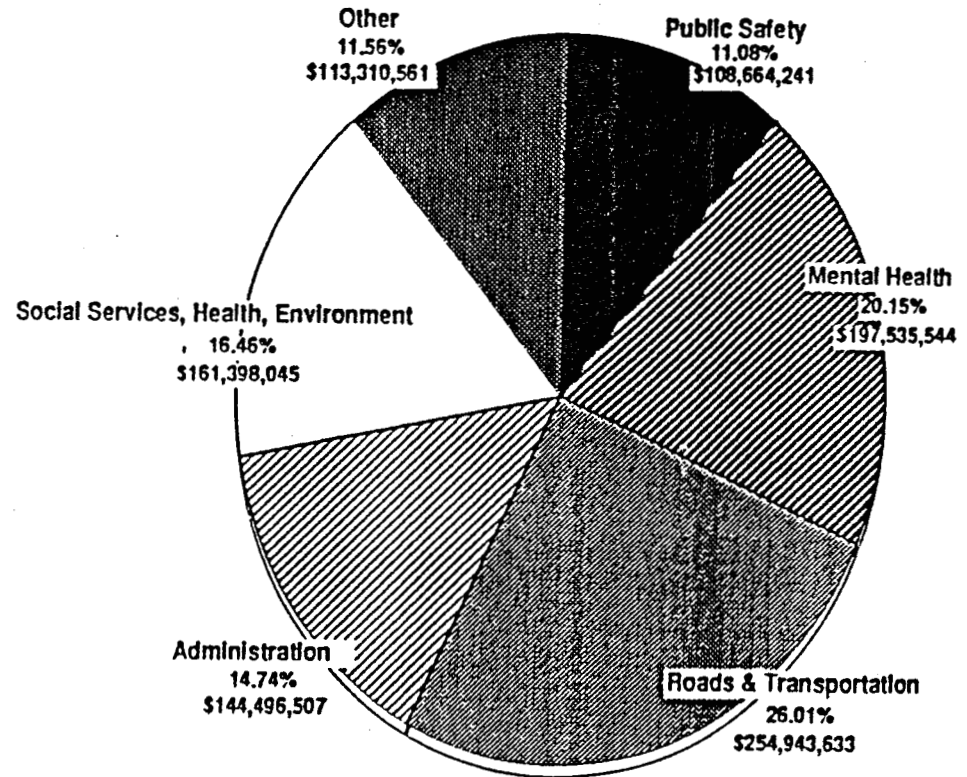
Source: Department of Management

○ Total Budgeted Expenditures
- - - Budgeted Other Expenditures

**BUDGETED COUNTY EXPENDITURES
FISCAL YEAR 1986**



**BUDGETED COUNTY EXPENDITURES
FISCAL YEAR 1991**



Source: Department of Management

IOWA COUNTY GOVERNMENTS
SUMMARY OF BUDGETED EXPENDITURES, TRANSFERS, AND ENDING FUND BALANCES
FOR 1990/91 FISCAL YEAR
DEPARTMENT OF MANAGEMENT - LOCAL BUDGET DIVISION

CO	NAME	PUBLIC SAFETY	<i>Other</i> COURT SERVICES	PHYSICAL HEALTH EDUCATION	MENTAL HEALTH	SOCIAL SERVICES	COUNTY ENVIRONMENT	ROADS AND TRANSPORTATION	<i>Admin</i> STATE AND LOCAL GOVT SERVICES
1	ADAIR	615,696	15,400	242,243	620,000	204,765	237,805	2,516,500	144,407
2	ADAMS	278,598	21,800	144,479	232,067	142,987	268,893	1,886,600	86,405
3	ALLAMAKEE	511,257	59,251	417,822	722,968	819,823	323,143	2,077,000	168,751
4	APPANOOSE	697,723	89,600	208,798	993,500	271,545	142,600	1,874,000	153,354
5	AUDUBON	431,134	62,400	191,400	550,000	172,970	416,725	2,173,000	139,757
6	BENTON	1,181,361	52,150	226,225	1,913,486	597,120	609,710	3,235,808	280,678
7	BLACK HAWK	4,636,769	850,535	1,212,577	15,204,689	4,638,918	1,550,721	2,999,028	967,789
8	BOONE	556,223	268,619	224,520	1,020,000	705,264	1,029,088	3,063,425	152,157
9	BREMER	728,100	146,519	274,713	1,649,432	226,172	587,153	2,190,650	208,839
10	BUCHANAN	897,059	86,559	249,925	1,268,439	547,241	255,526	2,310,490	182,256
11	BUENA VISTA	711,998	72,700	253,307	1,009,616	325,688	259,301	2,501,000	199,513
12	BUTLER	581,363	34,100	334,770	750,078	120,901	278,565	2,734,000	161,141
13	CALHOUN	562,626	37,200	325,594	916,100	445,164	139,833	2,136,704	159,937
14	CARROLL	1,003,596	74,250	529,316	2,402,740	210,845	542,098	2,423,529	181,738
15	CASS	555,995	71,612	68,971	1,244,445	282,619	299,301	2,813,000	180,717
16	CEDAR	716,862	27,400	323,305	1,512,441	317,058	506,382	2,882,000	210,200
17	CERKO GORDO	1,514,563	126,671	558,858	3,538,624	680,088	299,768	2,742,077	337,259
18	CHEROKEE	778,050	72,200	234,758	770,443	267,210	809,098	2,014,500	200,689
19	CHICKASAW	868,968	143,681	135,192	994,383	379,989	208,364	2,427,660	317,363
20	CLARKE	354,742	30,350	174,538	619,200	208,232	142,372	1,410,708	142,849
21	CLAY	763,996	61,600	130,890	981,644	244,796	270,045	2,088,500	161,144
22	CLAYTON	736,645	47,800	440,198	1,359,905	302,873	473,268	3,130,700	207,172
23	CLINTON	2,000,172	179,100	802,590	3,719,218	1,532,797	391,659	3,374,000	421,517
24	CRAWFORD	633,399	41,375	339,232	1,423,763	315,779	410,390	3,301,450	236,672
25	DALLAS	1,563,317	89,127	717,614	2,600,000	540,509	374,002	3,015,701	413,800
26	DAVIS	319,810	40,442	179,399	751,800	190,464	109,750	2,101,000	150,225
27	DECATUR	340,460	18,275	260,626	490,000	87,623	158,817	2,339,000	142,150
28	DELAWARE	730,220	127,962	243,228	1,881,621	305,437	400,122	2,506,400	174,777
29	DES MOINES	1,404,888	207,479	500,323	2,761,878	735,715	1,219,235	2,046,489	469,005
30	DICKINSON	600,256	107,425	322,206	495,779	679,814	350,087	1,302,000	170,616
31	DUBUQUE	3,060,947	358,014	550,050	6,638,401	4,744,140	750,322	4,228,217	624,387
32	EMMET	582,359	62,000	227,655	1,028,587	206,790	237,455	1,562,538	146,142
33	FAYETTE	823,858	77,900	443,472	1,024,500	357,587	544,186	2,893,700	245,739
34	FLOYD	706,545	97,000	315,033	949,444	549,304	270,852	2,301,500	219,034
35	FRANKLIN	387,984	59,800	436,992	880,696	189,623	362,748	2,345,000	115,696
36	FREMONT	549,829	32,695	82,529	880,850	273,112	260,791	2,982,400	172,791
37	GREENE	490,522	43,155	96,012	1,287,103	85,734	240,090	2,228,100	126,138
38	GRUNDY	493,625	38,240	586,226	951,975	166,883	422,679	2,337,200	183,018
39	GUTHRIE	430,888	75,480	310,355	690,000	795,834	375,283	2,792,778	136,264
40	HAMILTON	666,013	40,100	343,869	1,258,268	616,330	586,585	2,676,000	178,570
41	HANCOCK	811,341	26,721	241,374	737,598	563,938	128,740	2,567,500	145,531
42	HARDIN	572,342	70,700	422,739	1,413,185	339,959	284,587	2,369,599	138,639
43	HARRISON	429,482	40,245	271,403	1,734,000	541,642	398,473	2,647,000	155,160
44	HENRY	782,930	28,425	153,967	1,521,741	510,136	250,536	1,821,000	246,403
45	HOWARD	471,629	31,300	277,520	755,465	323,431	207,081	1,958,250	146,070
46	HUMBOLDT	615,902	51,336	304,744	854,968	307,651	200,516	1,600,766	174,236
47	IDA	303,740	58,900	168,562	564,705	197,203	293,255	1,543,000	155,446
48	IOWA	756,474	46,550	326,696	1,482,763	322,384	257,271	3,016,090	203,646
49	JACKSON	660,404	29,150	162,770	1,167,699	451,319	952,659	2,683,784	264,358
50	JASPER	1,136,347	280,200	332,983	5,485,763	2,456,052	527,149	3,781,830	323,798
51	JEFFERSON	670,368	94,450	199,485	1,001,767	219,439	177,690	2,229,707	188,754
52	JOHNSON	3,857,909	430,269	1,559,965	5,754,816	1,895,754	703,683	4,049,969	928,238
53	JONES	803,566	64,450	129,103	1,219,962	492,831	129,826	2,372,000	197,344

IOWA COUNTY GOVERNMENTS
SUMMARY OF BUDGETED EXPENDITURES, TRANSFERS, AND ENDING FUND BALANCES
FOR 1990/91 FISCAL YEAR

DEPARTMENT OF MANAGEMENT - LOCAL BUDGET DIVISION

CO	NAME	Admin INTERPROGRAM SERVICES	Admin NONPROGRAM CURRENT	Other DEBT SERVICE	Other CAPITAL PROJECTS	TOTAL EXPENDITURE	OPERATING TRANSFERS OUT	ENDING FUND BALANCES
1	ADAIR	371,047	0	0	731,583	5,699,446	1,056,144	2,011,895
2	ADAMS	375,292	20,000	0	5,000	3,462,121	355,000	1,312,509
3	ALLAMAKEE	633,288	54,677	0	960,000	6,747,980	1,165,000	1,372,247
4	APPANOOSE	777,953	0	0	301,000	5,510,073	396,551	1,990,470
5	AUDUBON	620,875	1,600	0	207,000	4,966,861	1,054,711	1,047,679
6	BENTON	815,117	0	202,850	920,419	10,029,924	2,328,808	2,077,301
7	BLACK HAWK	4,319,712	0	573,169	995,725	37,949,632	1,999,404	712,554
8	BOONE	736,983	22,000	0	240,000	7,958,279	2,461,714	2,000,186
9	BREMER	917,204	231,043	0	1,214,750	8,374,575	1,062,458	2,069,705
10	BUCHANAN	743,292	25,902	23,652	514,200	7,104,541	1,731,424	1,716,754
11	BUENA VISTA	672,965	11,700	0	483,409	6,501,197	2,148,721	939,939
12	BUTLER	739,891	2,000	0	240,000	5,976,809	1,214,978	1,593,759
13	CALHOUN	534,641	2,600	0	741,400	6,001,799	875,209	1,792,468
14	CARROLL	721,140	600	0	1,500,390	9,590,242	2,301,000	726,662
15	CASS	651,276	750	0	468,581	6,637,167	1,795,597	491,277
16	CEDAR	801,044	0	0	680,000	7,976,692	2,237,890	1,114,487
17	CERRO GORDO	1,972,743	332,309	0	2,598,521	14,701,481	3,192,894	1,665,593
18	CHEROKEE	750,067	0	0	925,000	6,822,045	1,108,009	2,113,719
19	CHICKASAW	765,501	0	0	870,000	6,911,101	2,013,721	1,815,291
20	CLARKE	393,622	0	0	340,462	3,817,075	391,193	1,089,605
21	CLAY	639,128	0	0	825,000	6,166,743	1,025,000	2,178,121
22	CLAYTON	692,364	1,100	0	1,187,195	8,579,220	1,939,970	1,689,177
23	CLINTON	1,618,558	49,500	0	267,558	14,356,669	3,195,331	3,025,568
24	CRAWFORD	772,370	0	0	470,243	7,944,173	1,962,145	2,535,433
25	DALLAS	1,208,226	315,746	247,373	1,616,301	12,701,716	1,645,486	2,181,713
26	DAVIS	468,956	6,000	64,733	95,255	4,478,534	412,879	1,450,000
27	DECATUR	477,529	26,000	0	0	4,335,480	353,233	902,259
28	DELAWARE	617,687	22,700	0	1,374,381	8,184,535	1,100,000	247,644
29	DES MOINES	2,050,017	0	0	2,354,751	13,749,780	1,142,775	1,439,732
30	DICKINSON	660,723	73,852	0	1,030,145	5,792,902	946,311	603,818
31	DUBUQUE	1,977,328	0	0	1,910,190	24,741,996	4,308,388	2,921,847
32	EMMET	842,896	225,000	0	410,886	5,532,208	1,385,922	1,435,215
33	FAYETTE	676,994	46,600	0	1,231,856	8,362,392	2,114,510	1,273,603
34	FLOYD	619,233	0	0	383,026	6,410,971	974,577	1,936,753
35	FRANKLIN	636,189	0	0	988,000	6,402,708	1,215,000	1,550,160
36	FREMONT	715,411	7,500	0	786,000	6,544,908	874,868	1,196,617
37	GREENE	639,986	32,500	0	779,060	6,046,400	825,000	2,317,076
38	GRUNDY	586,881	0	0	574,395	6,341,122	1,059,237	1,395,394
39	GUTHRIE	622,178	132,616	31,623	410,500	6,753,795	975,254	375,114
40	HAMILTON	1,262,411	44,400	28,897	297,768	7,999,211	1,289,114	3,792,722
41	HANCOCK	627,533	136,780	0	475,825	6,262,881	1,255,000	1,700,000
42	HARDIN	633,927	65,050	0	915,000	7,225,727	1,154,900	886,677
43	HARRISON	772,516	0	0	196,378	6,686,299	1,523,419	2,353,772
44	HENRY	584,920	69,700	75,000	925,000	6,979,758	960,640	1,533,728
45	HOWARD	521,441	45,250	0	64,300	4,802,107	1,163,297	1,660,204
46	HUMBOLDT	515,019	1,200	0	1,253,870	5,880,208	1,259,350	1,123,004
47	IDA	409,562	0	0	1,276,000	4,970,373	623,600	622,873
48	IOWA	630,526	0	0	1,083,400	8,105,800	2,375,786	1,562,592
49	JACKSON	654,440	6,000	0	495,783	7,468,366	990,820	2,167,230
50	JASPER	1,684,566	27,500	0	788,300	16,824,484	2,483,816	2,772,867
51	JEFFERSON	676,419	0	0	683,000	6,143,079	1,330,640	2,823,372
52	JOHNSON	2,530,508	4,897	0	1,289,378	23,005,276	4,584,053	6,883,473
53	JONES	773,812	0	0	1,005,000	7,187,894	1,758,000	1,808,170

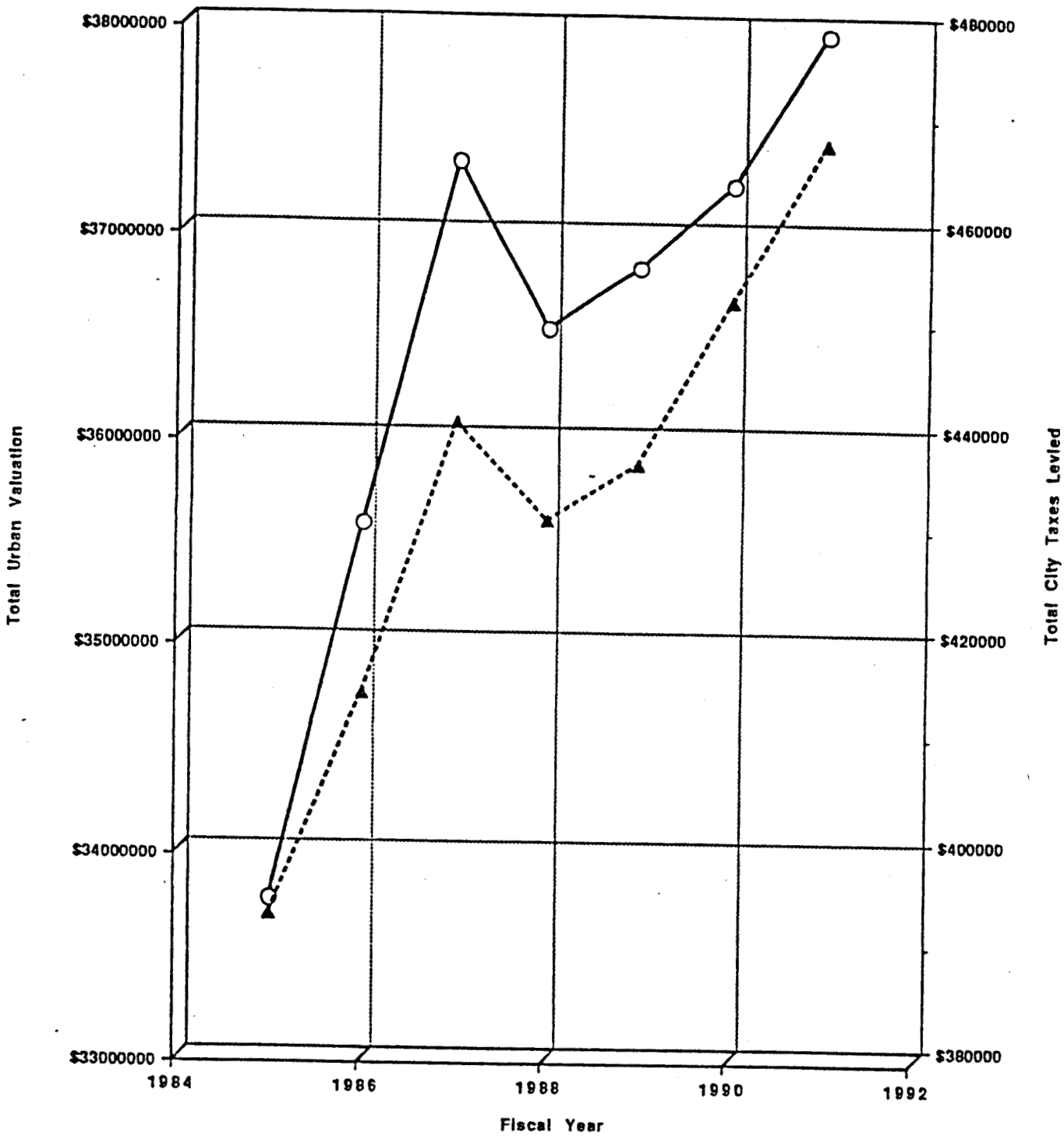
IOWA COUNTY GOVERNMENTS
SUMMARY OF BUDGETED EXPENDITURES, TRANSFERS, AND ENDING FUND BALANCES
FOR 1990/91 FISCAL YEAR
DEPARTMENT OF MANAGEMENT - LOCAL BUDGET DIVISION

CO	NAME	PUBLIC SAFETY	COURT SERVICES	PHYSICAL HEALTH EDUCATION	MENTAL HEALTH	SOCIAL SERVICES	COUNTY ENVIRONMENT	ROADS AND TRANSPORTATION	STATE AND LOCAL GOVT SERVICES
54	KEOKUK	346,864	42,000	128,532	934,642	223,333	295,300	2,261,100	137,437
55	KOSSUTH	758,628	65,400	330,079	1,511,100	822,878	464,157	3,610,000	243,411
56	LEE	1,631,573	131,864	754,968	3,271,232	1,396,084	506,336	2,531,353	557,582
57	LINN	6,851,593	1,068,647	1,801,049	13,951,985	3,422,929	2,547,144	5,520,481	1,564,669
58	LOUISA	719,314	23,438	142,623	635,183	769,130	185,835	2,306,000	154,170
59	LUCAS	450,527	48,400	225,510	853,580	276,226	149,696	1,649,524	128,772
60	LYON	653,270	57,100	318,555	657,100	133,872	358,747	1,920,528	183,914
61	MADISON	737,018	47,648	83,905	798,538	364,871	172,063	2,463,250	216,164
62	MAHASKA	868,411	107,177	206,230	2,056,255	513,426	243,636	2,799,000	223,553
63	MARION	825,923	55,200	227,730	1,507,428	543,494	782,140	3,112,300	208,513
64	MARSHALL	1,555,482	132,250	232,551	2,183,654	3,476,612	226,512	3,055,000	505,350
65	MILLS	659,533	28,200	243,353	754,535	239,747	107,181	2,192,995	160,744
66	MITCHELL	494,626	12,300	95,113	764,567	489,625	246,984	1,828,000	126,428
67	MUNONA	538,918	37,300	213,438	756,846	224,791	270,266	3,019,600	207,214
68	MONROE	389,427	30,800	217,737	689,400	190,288	220,360	1,803,973	169,612
69	MONTGOMERY	539,515	71,925	250,093	787,967	194,039	168,153	1,722,000	180,793
70	MUSCATINE	1,801,566	189,942	346,529	2,212,768	1,705,328	249,803	2,276,000	307,694
71	O'BRIEN	720,326	41,525	166,663	815,444	313,428	142,273	1,851,500	223,446
72	OSCEOLA	676,430	19,250	73,738	442,322	129,432	188,487	1,342,790	98,007
73	PAGE	748,110	44,350	354,116	653,950	484,052	272,645	2,583,135	148,773
74	PALO ALTO	511,171	63,900	251,765	955,700	250,899	423,809	2,372,000	160,296
75	PLYMOUTH	781,929	86,075	200,697	901,259	415,509	338,369	3,152,313	290,933
76	POCAHONTAS	511,186	47,840	195,208	562,150	541,082	294,068	2,094,000	145,625
77	POLK	9,362,672	1,677,065	1,792,763	20,936,491	13,545,053	8,465,783	6,657,857	2,473,707
78	POTTAWATTAMIE	3,645,400	725,718	823,138	5,464,533	1,174,413	726,076	5,727,140	675,000
79	POWESHIEK	648,481	55,520	280,957	1,325,184	326,011	1,198,030	2,384,000	242,943
80	RINGGOLD	248,031	21,700	180,035	416,800	85,500	92,228	1,940,000	120,983
81	SAC	709,540	36,264	254,329	792,000	205,972	253,412	1,993,000	144,293
82	SCOTT	4,996,608	777,284	2,024,393	7,911,612	845,000	1,389,125	2,871,600	1,044,762
83	SHELBY	491,797	29,601	274,053	874,222	491,350	290,692	3,237,900	188,036
84	SIOUX	1,139,916	14,400	402,407	2,203,499	1,051,128	1,014,781	3,022,500	227,992
85	STORY	2,529,571	120,650	533,000	4,385,503	876,635	937,306	3,181,900	714,758
86	TAMA	838,294	66,100	294,470	1,022,055	445,096	221,983	3,318,304	199,696
87	TAYLOR	373,857	15,500	225,309	739,850	156,525	65,420	1,868,000	120,828
88	UNION	548,980	69,598	46,235	922,525	514,239	208,116	1,481,261	158,533
89	VAN BUREN	813,071	15,000	195,865	789,853	228,405	145,390	1,532,000	138,060
90	WAPELLO	975,030	336,075	215,985	3,221,056	576,893	535,912	2,769,054	289,360
91	WARREN	1,806,551	165,200	496,325	2,090,622	693,576	398,287	2,908,100	324,750
92	WASHINGTON	974,072	156,238	271,202	1,495,761	386,130	164,950	2,475,000	211,768
93	WAYNE	346,646	57,000	118,593	431,862	168,510	121,840	1,680,000	104,883
94	WEBSTER	1,511,526	211,000	559,997	2,599,036	1,330,500	384,539	3,856,256	286,280
95	WINNEBAGO	433,671	22,845	220,909	596,044	118,218	107,254	1,736,000	203,130
96	WINNESHIEK	722,154	30,679	359,651	1,219,039	290,110	412,166	2,833,004	143,287
97	WOODBURY	3,943,881	567,011	813,009	5,282,128	1,719,815	715,475	3,520,130	762,387
98	WORTH	398,814	16,387	290,994	526,377	260,588	251,116	1,418,000	158,696
99	WRIGHT	513,608	45,423	572,793	863,373	169,077	391,144	2,525,000	158,886
		=====	=====	=====	=====	=====	=====	=====	=====
		108,664,241	13,076,441	36,518,080	197,535,544	75,877,707	49,002,258	254,943,633	27,865,095

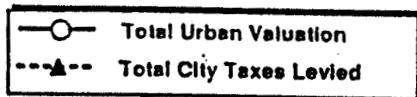
IOWA COUNTY GOVERNMENTS
SUMMARY OF BUDGETED EXPENDITURES, TRANSFERS, AND ENDING FUND BALANCES
FOR 1990/91 FISCAL YEAR
DEPARTMENT OF MANAGEMENT - LOCAL BUDGET DIVISION

CO	NAME	INTERPROGRAM SERVICES	NONPROGRAM CURRENT	DEBT SERVICE	CAPITAL PROJECTS	TOTAL EXPENDITURE	OPERATING TRANSFERS OUT	ENDING FUND BALANCES
54	KEOKUK	506,495	0	24,975	1,010,573	5,911,251	821,413	1,175,760
55	KOSSUTH	974,034	135,000	153,550	1,405,000	10,423,237	2,025,000	1,993,869
56	LEE	2,091,024	0	233,313	1,785,891	14,891,220	2,579,783	3,164,942
57	LINN	5,188,945	17,265	1,317,518	1,972,037	45,224,262	4,804,309	11,578,324
58	LOUISA	552,986	120,135	0	1,777,025	7,385,819	1,634,270	1,002,016
59	LUCAS	540,043	0	0	147,755	4,470,033	329,838	1,936,579
60	LYON	809,684	0	0	1,329,523	6,422,293	935,000	2,007,325
61	MADISON	553,136	11,000	14,220	974,512	6,426,325	846,068	961,796
62	MAHASKA	813,374	0	115,000	1,293,810	9,299,872	1,261,600	1,848,809
63	MARION	893,183	565,070	0	318,500	9,039,481	955,512	3,899,999
64	MARSHALL	1,574,069	6,000	0	792,200	13,739,680	1,137,785	2,928,138
65	MILLS	509,048	0	0	436,000	5,331,336	1,507,600	1,062,983
66	MITCHELL	419,670	300	0	250,000	4,727,613	862,542	652,939
67	MONONA	895,711	0	0	575,000	6,739,084	1,497,913	3,303,830
68	MONROE	649,824	0	0	202,625	4,564,146	521,364	616,763
69	MONTGOMERY	520,383	5,000	0	204,000	4,643,868	666,110	1,131,639
70	MUSCATINE	1,230,445	32,000	392,640	1,056,200	11,820,915	1,436,900	1,315,755
71	O'BRIEN	552,022	3,600	0	570,000	5,400,227	985,930	1,422,601
72	OSCEOLA	513,367	0	0	527,262	4,011,080	647,797	2,587,432
73	PAGE	697,386	11,000	0	1,038,000	7,035,523	682,853	2,727,627
74	PALO ALTO	706,016	0	0	670,000	6,365,556	1,359,847	709,926
75	PLYMOUTH	761,629	0	0	838,656	7,697,369	1,367,000	1,393,770
76	POCAHONTAS	549,437	20,300	0	290,715	5,251,611	840,000	2,564,949
77	POLK	13,984,399	265,966	6,235,059	4,813,125	90,209,940	3,349,881	14,411,985
78	POTTAWATTAMIE	2,613,214	0	250,000	710,000	22,534,632	6,219,934	2,320,648
79	POWESHIEK	765,024	36,365	46,882	642,815	7,952,212	1,667,285	1,490,069
80	RINGGOLD	350,346	0	0	160,000	3,615,623	406,610	822,655
81	SAC	566,243	0	0	796,000	5,751,053	792,064	3,140,367
82	SCOTT	4,061,563	0	443,475	2,374,198	28,739,620	7,869,761	6,642,848
83	SHELBY	614,290	7,000	0	1,097,900	7,566,841	1,937,000	1,231,066
84	SIOUX	1,109,100	139,600	0	1,822,850	12,148,173	2,309,515	1,850,346
85	STORY	2,050,292	3,000	227,500	4,087,154	19,647,469	1,932,949	2,782,406
86	TAMA	711,352	10,000	120,372	348,119	7,595,841	1,306,085	1,555,000
87	TAYLOR	501,304	0	26,640	226,854	4,399,085	446,246	1,123,933
88	UNION	607,411	0	125,688	537,038	5,219,614	540,500	2,141,141
89	VAN BUREN	370,340	5,000	59,984	316,275	4,609,243	376,128	1,152,033
90	WAPELLO	1,271,690	0	0	277,680	10,468,735	1,985,426	919,956
91	WARREN	1,406,294	0	166,418	517,474	10,974,597	1,904,300	2,069,828
92	WASHINGTON	765,073	25,045	91,395	1,104,030	8,120,604	1,902,382	1,087,324
93	WAYNE	489,592	24,000	0	365,126	3,909,052	329,228	1,586,246
94	WEBSTER	1,641,293	0	597,539	1,525,507	14,503,467	2,378,287	3,551,459
95	WINNEBAGO	746,936	8,214	0	330,000	4,523,821	901,805	651,031
96	WINNEBISHIEK	772,299	900,517	0	759,666	8,442,572	1,564,085	1,695,140
97	WOODBURY	6,074,026	11,250	564,960	1,846,242	25,820,314	2,697,687	2,340,985
98	WORTH	467,041	14,169	0	949,725	4,751,907	703,000	567,126
99	WRIGHT	546,987	75,609	0	435,500	6,297,400	1,328,217	295,741
		*****	*****	*****	*****	*****	*****	*****
		112,133,935	4,497,477	12,454,424	87,779,696	980,348,531	155,843,616	199,426,802

TOTAL CITY PROPERTY TAXES LEVIED COMPARED TO TOTAL URBAN VALUATION

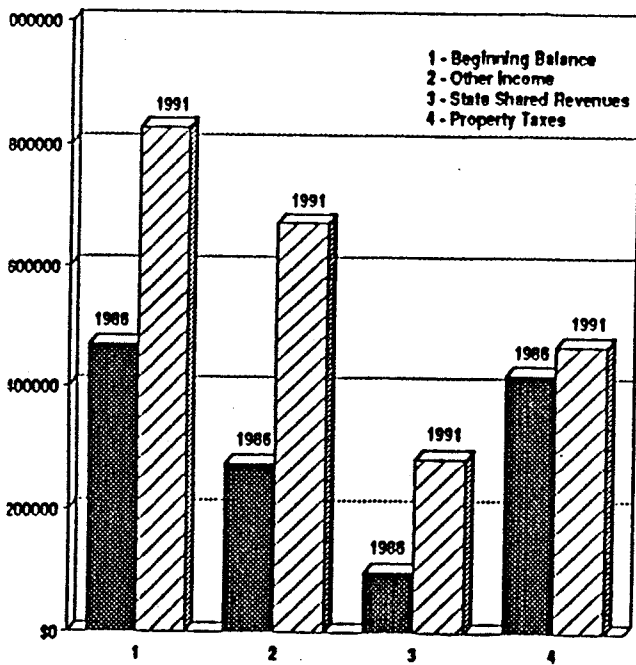


Source: Department of Management

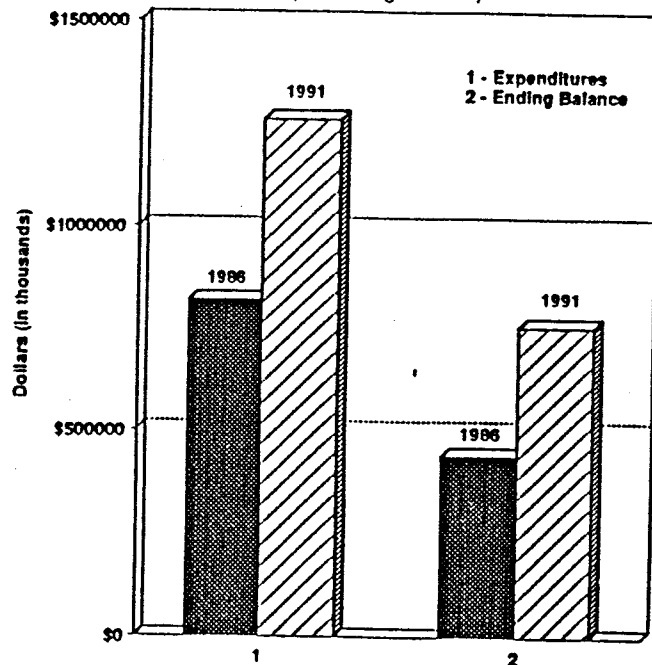


CITY BUDGET COMPARISONS FISCAL YEARS 1986 AND 1991

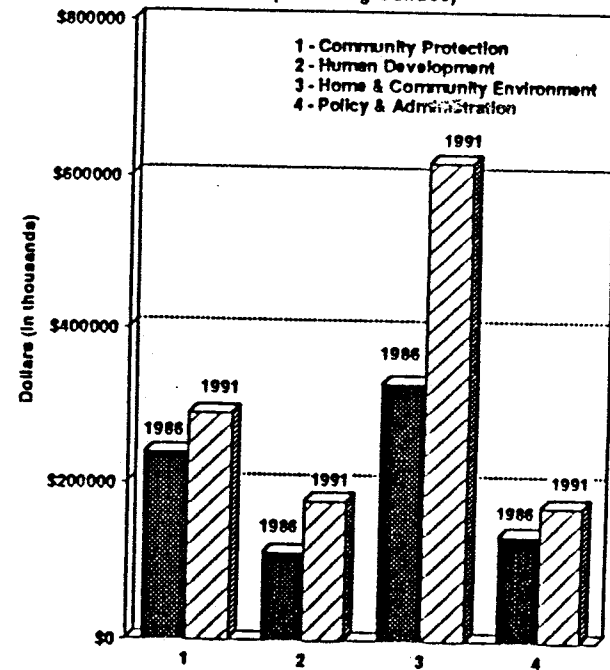
TOTAL BUDGETED CITY RESOURCES
FISCAL YEARS 1986 and 1991
(Excluding Utilities)



TOTAL BUDGETED CITY REQUIREMENTS
FISCAL YEARS 1986 and 1991
(Excluding Utilities)



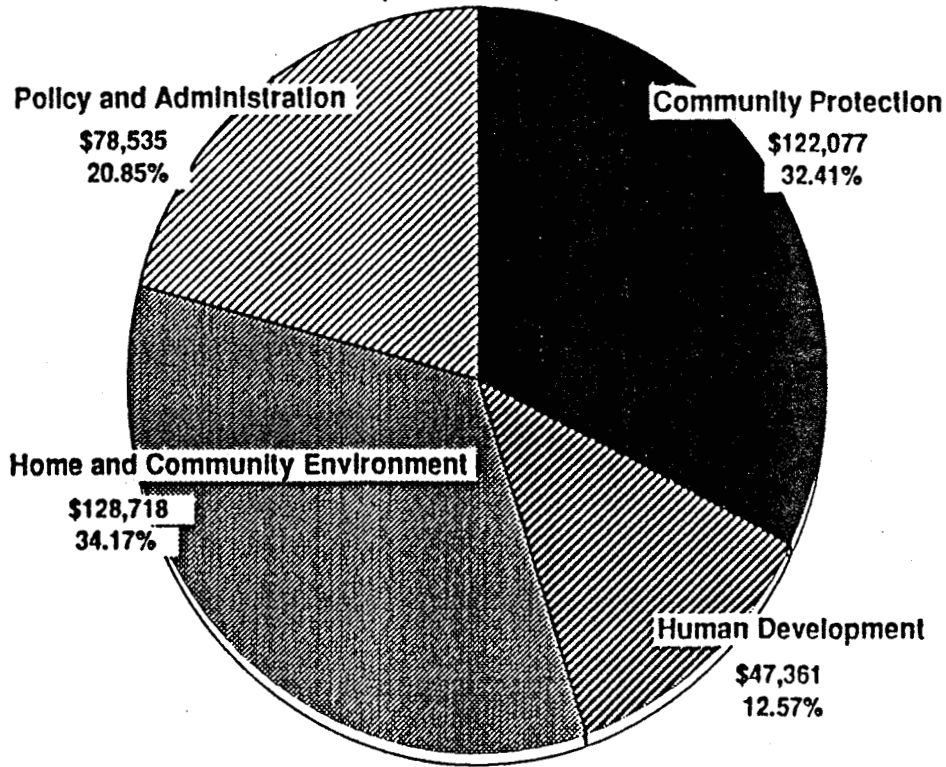
TOTAL BUDGETED CITY EXPENDITURES
FISCAL YEARS 1986 and 1991
(Excluding Utilities)



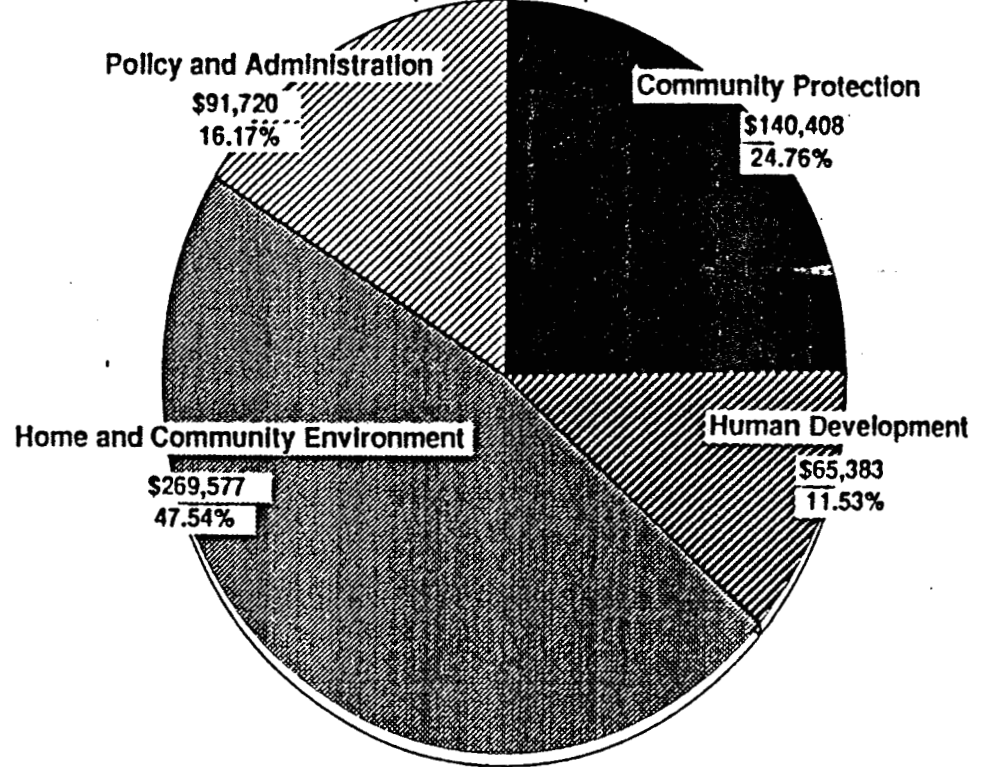
Source: Department of Management

**BUDGETED PROGRAM EXPENDITURES
NINE LARGEST CITIES
(Total Population 777,604)**

FISCAL YEAR 1986
(In thousands)



FISCAL YEAR 1991
(In thousands)



Community Protection - Fire, Police, Street Lighting, etc.
 Human Development - Health, Library, Pool, Parks, etc.
 Home & Community Environment - Cemetery, Streets, Airport, etc.
 Policy & Administration - Tort Ins., Council, City Clerk, Legal, etc.

SOURCE: DEPARTMENT OF MANAGEMENT

TAX EXPENDITURES

I. OVERVIEW

- Forgone revenue through specific exemptions, deductions or credits
- Present in all state tax & local taxes
- State funds replacement of selected local tax expenditures
- Objectives of tax expenditure include:
 - Encouragement of specific activities
 - Ease of administration or compliance
 - Conformity with Federal/State law
 - Offset specific expenditures by taxpayer/consumer
- In addition to items specified in the statutes, definition of tax base may also result in the exclusion of other items.

II. STATE TAX EXPENDITURES

A. Individual Income Tax

- Use of federal tax law as a base for tax results in excluding sources of income such as:
 - Retirement Income
 - Selected Source of Investment Income
 - Insurance Benefits
- Interest from federal and selected state securities
- Taxes including federal income tax, state/local property taxes and other state income taxes
- Itemized deductions in lieu of standard deduction including:
 - Medical Expenses
 - Interest Expenses
 - Non-Business Casualty Losses
 - Charitable Contributions
 - Miscellaneous deduction including specific deductions for expenses
 - Adoption
 - Tuition & Textbook
 - Care of Disabled Relative
 - Mileage for Charitable Deduction
- Limited Capital Gain Exclusion
- Miscellaneous Deductions including:
 - Portion of wages paid to handicapped/felons
 - Adjustments for Federal Tax Credits
- Credits allowed to offset selected expenditures or to provide equity:
 - Personal/Dependent Exemption
 - Child and Dependent Care
 - Low Earned Income Credit
 - Tuition/Textbook Expenditure
 - New Jobs Credit
 - Minimum Tax Carry Forward Credit
 - Seed Capital Credit
 - Taxes paid to other states
 - Research Activities
- Graduated tax rates provide tax expenditures in lower rates
- Low Income Exemption
- Permit married taxpayers to file as separate individuals

**ESTIMATED VALUE OF SELECTED
INDIVIDUAL INCOME TAX EXPENDITURES**

	<u>\$ Millions</u> *
• Federal Tax Deduction	\$275-\$300
• Itemized/Standard Deduction	\$275
• Married Separate Filing	\$135
• Low Income Exemption	\$1.0
• Personal/Dependent Care Credit	\$45.0
• Child and Dependent Care Credit	\$13.0
• Tuition/Textbook Expenditure	\$1.0
• Research/New Jobs/Minimum	\$1.0

* Estimates are based on statistical data compiled by department in recent years. Effect of elimination of expenditure may differ depending on nature of other changes made.

B. Corporate Income Taxes

- Consistent with Individual Income Tax
- Major variations include:
 - 50% Federal Tax Deduction
 - Specific exemptions for:
 - Non-Profit Organizations
 - Financial Institutions (subject to Franchise tax)
 - Insurance Companies (subject to insurance premium tax)
 - Tax Rates
- Estimated effects if tax expenditures

	<u>\$ Millions</u>
- Federal Tax Deduction	\$30.0
- Research/New Jobs & Minimum Tax Credit	3.0

C. Franchise Tax on Financial Institutions

- Base for tax is Federal Income Tax
- Consistent with Corporate Income Tax with following exceptions:
 - No deduction for Federal Taxes or State Tax
 - Interest from Federal Securities is taxed
 - No graduated tax rate

D. Retail Sales/Use Tax

- Base is sales of Tangible Personal Property and Selected Services
- Exemptions are granted for specific items, sales to specific organizations, or where proceeds will be used for specific purposes
- Exemptions are classified in attached summary by 5 classes:
 - Agricultural
 - Business Manufacturing
 - Specific items or services for Tangible Personal Property
 - Miscellaneous Exemptions
 - Organization
- List does NOT include items excluded from base taxation such as services

III. PROPERTY TAXES

- Base is real Property with specified exclusions based on:
 - Type of property
 - Property used for specified purposes
 - Ownership of property
 - Objective to provide incentives for selected activities
- For selected Property Tax Exemptions or credits the revenue is replaced by state assistance. These programs and their amount of state assistance are as follows:

	<u>\$ FY 92 Expenditure</u>
Property Tax Replacement Program	\$59.9 million
Family Farm	\$10.0
Agricultural Land Tax Credit	\$31.7
Homestead Tax Credit	\$99.6
Extraordinary Property Tax Reimbursement	\$11.6
Military Service Tax Exemption	\$3.0

- Examples of other forms of property tax exemptions include:*
- Intangible and Tangible Personal Property
- Government owned property
- Libraries and Art Galleries
- Authorized local tax exemptions for Urban Revitalization
- Pollution Control Property and Impoundment Structure
- Low Rent Housing
- Religious, Literary, Charitable and Educational property

* Certain exemptions are subject to restrictions such as use of property

**REVIEW OF STATUTORY
SALES AND USE TAX EXEMPTIONS**

AGRICULTURE

- Commercial fertilizer and agricultural limestone. 422.42(3) (1937)
- Materials including agricultural limestone used to control disease, weeds, or insects or promote the health of plants or livestock for market. (Most exempt items used in farming fall under this exemption.) 422.42(3) (1957) Redrafted in 1985 to include breeding stock, domesticated fowl, herbicide, pesticide, insecticide, food, and medication.
- Fuel consumed in implements of husbandry used for agricultural production. 422.42(3) (1957)
- Fuel used in grain drying. 422.42(3) (1969)
- Special discount coupons on farm machinery purchased between June 1, 1982, and July 1, 1984 (not codified and retroactive to June 1, 1982). (1984)
- Sale or rental of farm certain machinery and equipment, which is a self-propelled implement or attached to it, including replacement parts and grain dryers, refund between July 1, 1985, and June 30, 1987, then exempted. 422.45(26) (1985)
- Wood chips or sawdust used in the production of agricultural livestock and fowl. 422.45(30) (1985)
- Fuel used to provide heating or cooling to livestock buildings. 422.42(3) (1985)
- Aerial application services. 422.45(25) (1985)
- Agricultural drain tile and the installation thereof. 422.42(3) (1987)
- Gas, electricity, water, and heat used in all implements of husbandry engaged in agricultural production. 422.45(34) (1987)
- Repairs to implements and the purchase or rental of farm machinery other than self-propelled implements or attachments and replacement parts used in livestock and dairy production. (Refund from July 1, 1987, to July 1, 1988, then it became

exempt.) Repair labor lost its exemption on July 1, 1988.
422.47C, 422.45(39) (1987)

- Replacement parts essential to any repair or reconstruction to farm machinery, equipment, or implement used in livestock or dairy production. 422.47C, 422.45(39) (1988)
- Sale or rental of irrigation equipment used in farming operations. 422.45(42) (1989)
- Laboratory test on animals. 422.43(11) (1991)

BUSINESS AND MANUFACTURING

- Sales of tangible personal property purchased for resale. 422.42(3) (1934)
- Sales of tangible personal property which by means of fabrication, compounding, manufacturing, or germination become an integral part of other tangible personal property ultimately sold at retail. 422.42(3) (1934)
- Fuel used to create power or steam to process goods. 422.42(3) (1937)
- Fuel used to generate electric current. 422.42(3) (1937)
- Fuel used to create heat to process goods. 422.42(3) (1939)
- Electricity or steam used in processing tangible personal property. 422.42(3) (1939)
- Chemicals, solvents, sorbents, or reagents used, consumed, dissipated, or depleted when used in processing. 422.42(3) (1963)
- Taxable services performed for an employer by an employee. 422.42(13) (1967)
- Investment counseling performed by trust departments of banks. 422.43 (1967) Repealed July 1, 1987.
- Resale of taxable services. 422.42(3) (1969)
- Resale of tangible personal property in connection with a taxable service. 422.42(3) (1969)
- Taxable services when purchased and used in the processing of tangible personal property. 422.42(3) (1969)
- Services performed on property delivered into interstate commerce. 422.42(16) (1969)

- Services performed on or in connection with new construction, reconstruction, alteration, or remodeling of a building or structure. 422.43 (1969)
- Advertising materials which are purchased outside Iowa, delivered into Iowa, and later shipped into interstate commerce. (Use tax only.) 423.4(5) (1969)
- Property, parts, and materials used as railroad rolling stock. 422.45(10) (1971)
- Purchase of vehicles except those designed for carrying passengers when purchased for lease outside Iowa. 423.4(7) (1978 - retroactive to 1973)
- Purchase of property to be used in the production of vehicles which are leased outside Iowa. 423.4(8) (1978 retroactive to 1973)
- All services of storage except storage of new agricultural products. 422.43 (1978)
- Tangible personal property purchased and used for leasing if certain conditions are met. 422.45(18) (1978)
- Envelopes used for advertising. 422.45(9) (1979)
- Containers, labels, cartons, and materials used for packaging products to be sold at retail. 422.45(19) (1979)
- Vehicles subject to registration for which the title is transferred when the business structure changes. 423.4(9) (1979)
- Chemicals used in the production of free newspapers. 422.42(3) (1980)
- Services used in processing, repairing or reconditioning tangible personal property normally sold in a retailers regular course of business. 422.42(13) (1981)
- Services of a private employment agency, where the employee's principal place of employment is outside the state. 422.43 (1981)
- Traded property used in the remanufacturing of a like item. 422.42(6), 423.1(3) (1983)
- Plates, engraving, typesetting, light sensitive emulsions, and like products sold by trade shops to printers. 422.45(21) (1983) Retroactive to July 1, 1971.

- Processing exemption extended to services of vulcanizing, recapping, or retreading, printing, binding, engraving, photography, or retouching, services. 422.43(4), 422.43(5), 423.1(4) (1984)
- Sale or rental of industrial machinery, equipment, certain computers, and replacement parts, and pollution control equipment. Refund July 1, 1985, to July 1, 1987, then exempted. Also applies to computers for insurance companies, financial institutions, and commercial enterprises. 422.45(27) (1985)
- Design and installation of new industrial machinery and equipment including electrical and electronic installation. 422.45(28) (1985)
- Expanded processing exemption extended to the food products industry to include sanitation, quality control, packaging, storage and factory transportation. 422.42(3) (1985)
- Rental of motion picture films, video and audio tapes, discs, photos, copy, scripts for the motion picture and broadcasting industries if rented for subsequent viewing or broadcast. 422.45(24) (1985) Retroactive to July 1, 1984.
- Special fuel used in watercraft for commercial purposes on rivers bordering Iowa. 422.45(23) (1985)
- Sales of automotive fluids sold to car dealers and retailers performing taxable services. Retroactive to January 1, 1979. 422.45(33) (1986)
- Computers purchased by nonprofit health service corporations. 422.45(27) (1986)
- Ships, barges, and waterborne vehicles used in the transportation of property or cargo for hire on rivers bordering Iowa and materials or parts associated with said vehicles. 423.4(13) (1986)
- Tangible personal property withdrawn from inventory by a contractor/manufacturer as building material for use in an out-of-state construction project. 422.42(9), 422.42(10) (1987)
- Chemicals containers, and bags used by dry cleaners. 422.42(3), 422.45(19) (1987)
- Prizes to be awarded in games of skill, chance, raffles, and bingo. 422.45(35) (1987)

- The use of building materials, supplies and equipment by its manufacturer which are purchased out-of-state, brought into Iowa but subsequently used in an out-of-state construction contract. 423.1(10) (1987).
- Aircraft used in a scheduled Interstate Federal Aviation Administration certified air carrier operation. 422.45(38) (1988)
- Degradable point-of-sale containers and packaging sold to retailers (including dry cleaners). 422.45(19)A (1988)
- Containers and similar items sold to retailers for nonpoint-of-sale packaging. 422.45(19)B (1988)
- Purchase of motion picture films, video and audio tapes, discs and records by persons in the business of leasing, renting, or selling the same. Retroactive to July 1, 1984. 422.45(41) (1989)
- Machinery and equipment used in connection with the recycling or reprocessing of waste products. 422.45(27) (1989)
- Vehicles operated but not registered under Chapter 326, and used in interstate commerce. 423.4 (1990)
- Sales of advertising materials (including paper) to any person in Iowa, if the material is sent outside Iowa and used outside of Iowa. 422.45(45) (1990) (sales tax)
- Carbon dioxide used in the manufacturer of marketable food products for human consumption. Retroactive to July 1, 1985. 422.42(3) (1990)
- Manufacturers of motor vehicles who reimburse purchases under the lemon law (refund of use tax). 322G.4 (1991)

ITEMS OR SERVICES SPECIFICALLY EXEMPTED

- Sale, furnishing, or service of transportation services. 422.45(2) (1937)
- Sleeping rooms and other rooms rented for more than 31 consecutive days. 422.43 (1965)
- Sales of newspapers, free newspapers, or shoppers guides and the printing and publishing thereof. 422.45(9) (1969)
- Newsprint and ink used in printing any newspaper, free newspaper, or shoppers guide published in Iowa. 422.42(3) (1969) (Repealed, 1985)

- Motor fuel and special fuel where fuel tax has been paid and not refunded. Includes fuel used in water craft. 422.45(11) (1973)
- Flying services - agricultural aerial application and commercial aerial charter and transportation flights. 422.45 (25) (1974)
- Food for human consumption. 422.45(12) (1974)
- Prescription drugs. 422.45(13) (1974)
- Insulin and diabetic supplies. 422.45(14) (1974)
- Sale of prosthetic, orthotic, and orthopedic devices. 422.45(15) (1974)
- Medically prescribed oxygen. 422.45(16) (1975)
- Rental of prosthetic, orthotic, and orthopedic devices. 422.45(15) (1978)
- Sale of draft horses. 422.45(17) (1978)
- Service performed on humans by test laboratories. 422.43 (1979)
- Gross receipts from the sale of gasohol. 422.45(1) (1981)
- Certain motor vehicles, including semi-trailers, used in interstate commerce which are registered for a gross weight of 13 tons or more and incur at least 25 percent of their mileage outside Iowa. 423.4(10) (1985)
- Mobile homes for which tax has been previously paid and 40 percent of the purchase price of a new mobile home. 423.4(11), 423.4(12) (1985)
- Motor vehicles rented or leased longer than 60 days. 422.45(2) (1986)
- Raffle tickets sold at fair-sponsored raffles. 422.45(32) (1986)
- Forty percent of the cost of a modular home. 422.45(40) (1988)
- Fuel used in aircraft where fuel tax has been paid. 422.45(11) (1988)

MISCELLANEOUS EXEMPTIONS

- Transactions the state is prohibited from taxing by federal law. 422.45(1) (1934)
- Casual sales. 422.45(6) (1963)
- Discounts. 422.42(6) (1970)
- Trade of property including vehicles for equal or less value. 422.42(6), 423.1(3) (1982)
- Sales by State Historical Department on state owned property. 303.9(2) (1982)
- Refund of construction materials used in a project that will become public property or devoted to educational use. 422.45(7) (1983) Retroactive to November 2, 1982.
- Commercial amusement enterprises struck from Iowa Code as being a taxable amusement. 422.43(2) (1984)
- Material, services, and merchandise associated with equipping the Iowa World Trade Center and financed with state funds. (Repealed November 30, 1989.) 422.45(28) (1985)
- Casual sale exemption is expanded to taxable services and to the bulk sales of businesses. 422.42(12) (1985)
- Use tax on property or taxable services (except vehicles) only if Iowa sales tax has been paid. 423.4(1) (1986)
- Lobbying services struck from Iowa Code. 422.45(11) (1987)
- Food purchased with federal food coupons. 422.45(12A) (1987)
- Rental of mobile homes which are tangible personal property. 422.43(7), 422.43(11), 422A.1 (1987)
- Rebates applied to the purchase of vehicles subject to registration. 423.1(3)(a) (1988)
- E911 emergency telephone service surcharge. 477B.6(2) (1988)
- Sales of goods and utilities to other states or their political subdivisions if they provide a similar exemption to Iowa and its political subdivisions. 422.45(44) (1990)
- Sales of tangible personal property which a seller transfers for shipment to a point outside Iowa. 422.45(46) (1991)

ORGANIZATIONS RECEIVING EXEMPTIONS OR BENEFITS FROM EXEMPTIONS

- Sales from educational, religious, or charitable activities where the entire proceeds are spent for educational, religious, or charitable purposes. 422.45(3) (1934)
- Tax certifying or levying bodies of the state. 422.45(5) (1934)
- Refunds of sales tax paid by relief agencies. 422.47 (1934)
- Refunds of sales tax on construction projects to government agencies. 422.45(7) (1953)
- Sales to nonprofit educational institutions used for educational purposes. 422.45(8) (1967)
- Admissions to amusements, fairs, and athletic events of elementary and secondary educational institutions. 422.43 (1978)
- Purchases by municipal solid waste facilities. 422.45(5) (1978)
- Sales by cities and counties except utility services. 422.45(20) (1979)
- Sales and rentals to certain residential care facilities, intermediate care facilities, rehabilitation facilities which treat the mentally ill and community mental health centers. 422.45(22) (1985)
- Sales and rentals to community health centers and migrant health centers. 422.45(22) (1988)
- Items purchased by nonprofit organizations organized for the purpose of lending tangible personal property to the general public. 422.45(36) (1988)
- Sales and rentals to nonprofit legal aid organizations. 422.45(37) (1988)
- Child foster care residential facilities licensed by the Department of Human Services other than those maintained by individuals. 422.45(22) (1989)
- Goods and services sold to regional transit systems. 422.45(5) (1990)
- Refund of sales tax on construction projects for nonprofit private museums. 422.45(7) (1990)
- Sales of goods and services to nonprofit museums if used for educational, scientific, historical, or aesthetic purposes. 422.45(43) (1990)

TABLE 11.19
 COMPARISON OF TOTAL TUITION COSTS AT COMPARABLE INSTITUTIONS
 UNDERGRADUATE RESIDENT - 1990-91

Institution	Tuition & Fees(1)	Room & Board(1)	Total Tuition, Fees, Rm. & Bd.
SUI - ELEVEN AAU PUBLIC INSTITUTIONS			
1 University of Michigan	\$3,688	\$3,856	\$7,544
2 University of Illinois	2,969	3,642	6,611
3 University of California, Los Angeles	1,533	4,850	6,383
4 Ohio State University	2,343	3,690	6,033
5 University of Minnesota	2,671	3,300	5,971
6 University of Wisconsin	2,108	3,445	5,553
7 Indiana University	2,240	3,159	5,399
8 University of Arizona	1,478	3,436	4,914
9 UNIVERSITY OF IOWA	1,880	2,769	4,649
10 University of North Carolina	1,083	3,280	4,363
11 University of Texas	1,013	3,300	4,313
MEDIAN	\$2,108	\$3,436	\$5,553
MEAN*	\$2,113	\$3,596	\$5,708

* University of Iowa excluded.

Institution	Tuition & Fees(1)	Room & Board(1)	Total Tuition, Fees, Rm. & Bd.
UNI - ELEVEN-STATE AREA			
1 Ohio University	\$2,721	\$3,474	\$6,195
2 University of Minnesota, Duluth	2,585	2,908	5,493
3 Central Michigan University	2,129	3,160	5,289
4 Indiana State University	2,104	2,958	5,062
5 Illinois State University	2,306	2,560	4,866
6 Univ. of North Carolina, Greensboro	1,364	3,140	4,504
7 California State University, Fresno	906	3,450	4,356
8 University of Wisconsin, Eau Claire	1,860	2,420	4,280
9 UNIVERSITY OF NORTHERN IOWA	1,880	2,326	4,206
10 North Texas State University	976	3,154	4,130
11 Northern Arizona University	1,478	2,534	4,012
MEDIAN	\$1,880	\$2,958	\$4,504
MEAN*	\$1,843	\$2,976	\$4,819

* University of Northern Iowa excluded.

Institution	Tuition & Fees(1)	Room & Board(1)	Total Tuition, Fees, Rm. & Bd.
ISU - ELEVEN LAND GRANT UNIVERSITIES			
1 University of Illinois	\$2,969	\$3,642	\$6,611
2 University of California, Davis	1,701	4,741	6,442
3 Michigan State University	3,392	3,000	6,392
4 Ohio State University	2,343	3,690	6,033
5 University of Minnesota	2,671	3,300	5,971
6 University of Wisconsin	2,108	3,445	5,553
7 Purdue University	2,152	3,320	5,472
8 Texas A & M University	1,062	3,884	4,946
9 University of Arizona	1,478	3,436	4,914
10 IOWA STATE UNIVERSITY	1,880	2,600	4,480
11 North Carolina State University	1,126	3,100	4,226
MEDIAN	\$2,108	\$3,436	\$5,553
MEAN*	\$2,100	\$3,556	\$5,656

* Iowa State University excluded.

BFV5/comparis/12-12-90

(1) Tuition information supplied by campuses; room & board data from "The College Cost Book, 1990-91," The College Board, for double occupancy room and board.

PUBLIC FINANCING TASK FORCE MEETING
AUGUST 30, 1991
NOTES

Present: Gerry Bair, Co-chair, Dick Christie, Mike McCarville, Kay Chapman, Marvin Selden, Pat Cavanaugh, Larry Thornton (for Mike Fitzgerald), Anita Mandelbaum, Bill Lepley, Glen Erickson, Dick Hahn

Staff: Ron Amosson, Rich Jacobs, Dave Plazak, Gary Meyer, Calvin McKelvogue, Bonnie Mackin

Not Present: Robert Rigler, Tom Gould

Gerry Bair opened the meeting by explaining the first meeting would be basically an informational meeting and gave some background on the Governor's Blue Ribbon Committee. The Governor's Committee will be having a retreat in mid-September (date yet to be announced).

GAAP

Calvin McKelvogue, staff member from the Department of Revenue & Finance, gave background information on GAAP and the GAAP deficit (pg. 25 of Gov. Spending Reform Background Material). He explained fund structure differences and that bond investments require a report to show comparison with other states. He also discussed the pages in the "General" section of the black notebook which was handed out regarding GAAP. TRANS borrowing was explained. TRANS money is borrowed in June or July and paid off in June of the following year. \$30 million was borrowed this year. We have always used the full amount borrowed. This is required by IRS regulation. GAAP legislation for reducing the GAAP deficit was discussed. Calvin stated that in 1990 we did not meet the required balance and foresee the same in 1991. Compensated balances are not being accrued (\$67 million) and are increasing at a rate of \$5 million each year. In regard to risk financing it was stated the State is self insured and that unemployment workers compensation is a big problem for the state. Calvin stated this year's Comprehensive Annual Financial Report (CAFR) would be issued on December 31.

Education

Ron Amosson and Gary Meyer, staff from the Department of Management, discussed the "Education" information in the notebook. Local school aid formula was discussed. It was noted that in the area of merged area schools (pg.5) there has been a 52% increase over the past few years. In college tuition aid (page 6), there has been an increase of 76% in various programs since 1986. Gary explained that the school aid formula started in the 1970's and the purpose was to equalize educational opportunities for all students in the state. The Iowa school aid formula had two objectives 1) to control costs, and 2) spread the costs between state aid and property taxes.

It was stated there was declining enrollment between 1980-1990, but enrollments are now increasing. The distribution of state aid among school districts was discussed. The reorganization of school districts is to increase educational standards and not to save money as perceived. Bill Lepley added that over 100 districts share superintendents. There are 75 less high schools even though only 4 or 5 school districts have been eliminated. There are 100 districts who do whole grade sharing (type of merging). Studies are going on now to use a new formula to get the dollars to the students. Some time will be spent at a future meeting to discuss the school aid formula.

Human Services

Dave Plazak of the Department of Economic Development discussed the Human Services section of the notebook. He noted that human services is the second greatest expenditure area (after education) in the state and it is also the most rapid area of growth in the state. Medicaid alone has an expenditure of \$250 million a year. In the area of medicaid (which is medical to the elderly & poor), the cost per eligible person has greatly increased due to rising nursing home costs and medical costs in general. In the area of foster care, costs are rising faster than the population served. There is also a similar pattern in ADC and mental health. The Department of Human Services will be asked to give a presentation on medicaid at the next meeting.

Local Government Financing

This section in the notebook was briefly discussed by Ron Amosson.

Tax Expenditures

Concepts were discussed by Gerry Bair & Rich Jacobs of the Department of Revenue & Finance. It was explained that exemptions, deductions, credits, etc. are items, for whatever reason, the government has decided not to tax. It was noted that there are some taxes that Iowa does not have, such as gifts and taxation of some activities. The tax expenditures section of the notebook was discussed.

Other

This section of the notebook was noted by Dave Plazak which shows a comparison of how Iowa colleges rank with other comparable institutions in fees and charges.

Work Plan

The work plan of the Task Force was discussed by Dave Plazak. The work of this group needs to be completed and report delivered to the Blue Ribbon Committee by November 15. The report of the Blue Ribbon Committee will be delivered December 15.

There is the possibility of teleconferences for some future meetings. This task force overlaps all of the other task forces so this group also needs to look at the recommendation of other groups such as Intergovernmental Relations, Privatization and Technology Task Forces.

Goals

The goals of this task force should include a mix of money and dollar objectives, short range recommendations and long range recommendations.

Impressions & Concerns of Task Force Members

The following concerns were expressed:

Dick Hahn: 1) What hurdles must we overcome in getting to GAAP accounting from where we are now (deficit balance goal)?

Pat Cavanaugh: 1) What are the other Committees' charges? (Response: Will be more defined in the next couple of weeks and Gerry Bair will share these with the committee.) 2) Pleased with the work of the staff so far.

Glen Erickson: 1) We may want to look at what other states have done in certain areas. (Response: Will be tracked by staff.) 2) State mandates - the state mandates things be done and also mandates how it is to be done, that's why so costly.

Larry Thornton: 1) What is the state suppose to do and how are they suppose to do it? 2) Need someone experienced in strategic planning to come up with a plan. 3) What is our mission?

Anita Mandelbaum: 1) The need for "elimination of layers".

Dick Christie: 1) Same concerns as Larry & Anita

Marvin Selden: 1) State & local expenditure reporting - how do we deliver information to the public? How do you make a report for the state (state, county, local combined)? Recommends bi-annual budget with 5 year projections.

Mike McCarville: 1) Would like to see the state keep the tax money that is given to the cities and in return the state takes off the handcuffs and lets them run their business. 2) Which level of government is going to pay for which services? 3) Need to know the total cost for services (this will also raise the level of accountability). 4) List of state mandated programs (cities, counties, schools) requested.

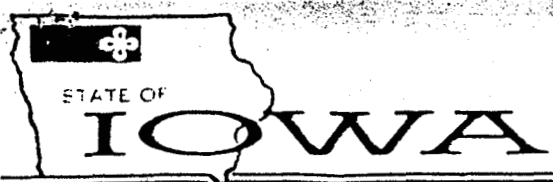
Kay Chapman: 1) Accountability and ability to communicate with the taxpayers as to where the money is going.

Next Meeting

The next meeting will be the Friday after the retreat. To be discussed at the next meeting will be:

1. School aid formula and allowable growth
2. Speaker from Human Services on programs
3. Follow-up on retreat
4. Information from other task forces

Sue



DEPARTMENT OF REVENUE AND FINANCE
GERALD D. BAIR, DIRECTOR

September 24, 1991

TO: Public Financing Task Force Members

Robert Rigler, Co-Chair	Pat Cavanaugh
Marvin Selden	Dick Hahn
Glen Erickson	Kay Chapman
Dick Christie	Mike McCarville
Anita Mandelbaum	Mike Fitzgerald
Tom Gould	
William Lepley	

Dear Task Force Members;

Enclosed are the notes from our September 20, 1991 meeting.

The next Task Force meeting will be on Friday, October 11 at 1:30 p.m. and will be held at the same place as our September 20th meeting (Drake University in the Hawkeye Bank and Trust Building at 24th & University, lower level classroom #1).

At that meeting we will be discussing the recommendations of the sub-task forces. If you have any other agenda items you would like discussed, please submit them to Bonnie at (515) 281-3204 by October 10th.

Sincerely,

G. D. Bair, Co-Chair
Public Financing Task Force

GDB/bm

cc: Staff - Dave Plazak
Ron Amosson
Rich Jacobs

PUBLIC FINANCING TASK FORCE MEETING
SEPTEMBER 20, 1991
NOTES

Present: Gerry Bair, Co-chair, Robert Rigler, Co-chair,
Dick Christie, Mike McCarville, Kay Chapman,
Marvin Selden, Pat Cavanaugh, Dick Hahn, Tom Gould,
Mike Fitzgerald, Lee Tack (for Bill Lepley)

Staff: Ron Amosson, Rich Jacobs, Gary Meyer,
Cecilia Johnson, Bonnie Mackin

Not Present: Glen Erickson, Anita Mandelbaum

Gerry Bair opened the meeting by highlighting the Governor's Spending Reform Retreat on Sept. 17. The package of material distributed at the retreat was shared with task force members and pages 4, 11, 12, 15, 16, 18-20, 23, 29 & 33 were highlighted.

Jay Marshall and Mark Thut of the Booz-Allen firm were introduced. Jay stated there would be an all day work session on October 2 for the chair and co-chair of each task force to review with the Executive Committee the various task force projects under study. It will be from 8:30 - 4:30. The location has not yet been determined.

Presentations on education and human services were given for informational purposes and to build a knowledge base in these areas.

Education

The education presentation was given by Lee Tack (Department of Education) and Gary Meyer (Department of Management). The presentation gave a general overview of the K-12 funding formula and Area Education Agencies. (There was not time to go over community college funding structure as planned).

K-12 was discussed by Gary Meyer. Handouts were distributed. The spending formula used in K-12 was explained. The allowable growth formula was discussed along with a handout. It was stated that school finance plans are litigated in many states but has not been litigated in Iowa. Iowa has a controlled, equitable formula, which is the second oldest formula in existence.

A request was made by Tom Gould for payroll figures by District for all in education (teachers, principles, superintendents, school boards, etc.). The Department of Management will provide.

A handout on cost containment programs and procedures was discussed. Are there any optional services that can be reduced or eliminated?

It was stated that the number of eligibles has increased due to the broadening of the federal mandates (if income is 185% of poverty, a person is eligible).

Sub-Task Force Assignments

Four sub-task forces were created and assignments made as follows:

HUMAN SERVICES SUB-TASK FORCE

Pat Cavanaugh, Chair
Mike Fitzgerald
Glen Erickson
Dave Plazak, Staff

EDUCATION SUB-TASK FORCE

Tom Gould, Chair
Marv Selden, Co-chair
Dick Hahn
Dick Christie
Ron Amosson, Staff

FUNDING ALTERNATIVES SUB-TASK FORCE

Gerry Bair, Chair
Anita Mandelbaum
Kay Chapman
Rich Jacobs, Staff

GOVERNMENT FINANCE RESTRUCTURING SUB-TASK FORCE

Mike McCarville, Chair
Bob Rigler
Bill Lepley
Dave Plazak, Staff

Staff telephone number were provided. Ron Amosson 281-3078, Rich Jacobs 281-5777, and Dave Plazak 242-4875.

Each sub-task force is to come up with FACT DRIVEN recommendations. In making recommendations sub-task forces will look at cost containment, efficiencies and effectiveness and future implications.

Sub-task forces have three weeks to formulate their initial recommendations. On October 11 the entire task force will meet to process the initial recommendations of each sub-task force. These recommendations will then be refined by each sub-task force. Gerry Bair reminded sub-task forces to watch for mandates and to feel free to contact any agency head for input.



TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF PERSONNEL

October 8, 1991

OCT 09 1991

MEMORANDUM

TO: Aida Audeh

FR: Bill Snyder *Bill Snyder*

RE: Information for the Interim Committee on Government Efficiency

Enclosed is the current listing of class series that we have been using during the layoffs. Each class series typically describes the career ladders followed from the entry level class up to middle management, if that is appropriate. If you have any questions, please give me a call.

Also enclosed is a description of how the classification system works. I hope this is more helpful than the original information we sent. This is a summary of a process that is completely described in an 80 page manual. I can provide a copy of the manual for you, if you need it.

WCS/cb
Enclosure

WCSAUDEH.mem



10/8/91

THE IOWA JOB CLASSIFICATION PROCESS

The following is a brief overview of the job classification process used by the Iowa Department of Personnel. Classification is the grouping of like things into categories. For example, one could group apples into red apples and green apples. Of course, you could not mix in a few oranges for, as everybody knows, you cannot mix apples and oranges. Obviously, the oranges would be misclassified.

Job classification is analogous to the above example except duties and responsibilities are being grouped into like categories called classes. The State has approximately 1,250 different classes for the approximately 20,000 employees in our system.

IDOP personnel officers study various jobs and develop the class specifications. This study process is known as job analysis and is a formalized procedure. The basics of job analysis used by the IDOP are as follows:

1. Determination of what tasks are done. These become the illustrative examples of work performed section of the class specification document.

2. Determination of the knowledges, abilities and skills necessary to do the tasks. These become the KSA section of the class specification.
3. Determination of where and/or how the necessary abilities, skills and knowledges are obtained. These become the minimum qualifications of the class specification.

The above information is obtained from:

1. Reviewing written descriptions of work provided by the incumbents (Position Description Questionnaires).
2. Interviews with the incumbents and their supervisors.
3. Review of work performance plans.
4. Review of existing material related to the occupation under study.
5. Review of similar jobs in other states or organizations.

Once the tasks, KSA's, and minimum qualifications have been linked and analyzed the class specifications are then written. If several vertically related classes are developed its called a series (e.g., Secretary 1, 2 & 3) and standards are written which explain the differences between the levels. That is, how a Secretary 2's duties and responsibilities are different from a Secretary 1's and a Secretary 3's. It should be noted the specs are illustrative and do not include everything that an employee may do or is required to do.

In personnel very few things ever remain static and specifications are no exception. As programs change, the organizational structure changes, new laws are passed, new technologies are brought into the workplace, or as the occupation itself evolves and changes specifications also need to be revised to reflect the evolution of the duties and responsibilities, knowledges, skills, abilities, minimum qualifications or licensure requirements. Normally, an analysis like the one outlined above is done by the personnel officer before a revised class specification is adopted.

It must be noted that any change in a class title or the adoption of a new classification must be approved by the Personnel Commission before it can become a part of the system.

Because jobs and occupations are constantly evolving, a large portion of the Personnel Services Bureau staff time is spent in reviewing individual positions which an agency, the incumbent, or IDOP believes have changed and may need to be reclassified.

Classification reviews are most frequently triggered by an employee generated request for a change in job class. This will prompt analysis by a Personnel Officer. These classification reviews compare the assigned duties of the position with the established classification standards and the duties of other similar positions within the system and reach a recommended classification for the position. The comparison and analysis can be accomplished several

ways.

1. The position description questionnaire (PDQ).

The PDQ describes the positions duties and responsibilities in the words of the incumbent and also asks certain questions about the position. The supervisor also comments on what is written by the incumbent and responds to several questions. When there is sufficient information contained in the PDQ, the issue of appropriate classification can be rather clear cut, and a recommendation regarding the allocation of the position to an appropriate job class can be made quickly.

2. The PDQ and additional information.

If the PDQ is not sufficiently clear and the personnel officer believes that with some additional clarifying information a recommendation can be made, the information can be obtained by talking with the supervisor and incumbent over the phone or writing a memo to request the information. If, after reviewing the requested information the personnel officer feels an appropriate position allocation can be made, a proposed allocation of position is provided to the employee and employing agency.

3. The audit.

If the personnel officer is unable to reach a recommendation through either of the ways described above, a face-to-face

meeting or audit is arranged. The purpose of an audit is to gather facts, gain information, and clarify the situation. After preparing and reviewing background information the personnel officer will interview the incumbent and supervisor and have them answer questions and explain in detail the intricacies of the position. In addition, the personnel officer observes the work site, looks at examples of work and interviews other people, as necessary, to gain the information for a classification recommendation. The personnel officer then writes an analysis of findings called an audit report. The audit report describes the background information, the determination of the kind and level of work and the classification recommendation. If the personnel officer, agency, and incumbent are in agreement on the requested classification the process described earlier is followed to make the change effective.

If the employee and/or agency do not agree with the class recommended by the personnel officer they are requested to provide additional information. After reviewing any additional information submitted the personnel officer sends a second notice of IDOP's recommendation. If the employee and/or agency still do not agree with IDOP the next step is a classification appeal hearing.

The hearing board is composed of 3 members. Usually a job classification expert and 2 personnel officers. During the hearing

the employee/agency presents information in support of their position and the personnel officer presents facts, findings, and conclusions. The board may ask questions of either party. The employee may be represented by a third party such as a lawyer or union official if they so desire. After hearing both sides the board will reach a decision on the case. The employee may request the Personnel Commission to review the case to sustain or remand the decision of the Classification Appeal Committee for further review. The employee can also appeal to district court for judicial review under Chapter 17.A of the Code.

In summary, as jobs and occupations change the class specifications also change to reflect the new situation. There is a constant review of individual positions to check for changes, and of job classes to ensure the continued validity of the job class. The employee and agency are encouraged to provide input into developing and revising the class specifications and standards and have a method to obtain an impartial review when disagreements arise out of the interpretation of the specifications and standards. Although the system and structure are established, it is an ever-changing and evolving system.

JOBCLAS2.WCS

CLASSES CONSTITUTING A SERIES

00012 Clerk Typist 2	00150 Computer Prog Trainee
00013 Clerk Typist 3	00151 Computer Programmer
	00152 Programmer Analyst
00011 Clerk	00156 Systems Analyst
00017 Clerk 3	00157 Sr. Systems Analyst
00018 Clerk 4	00159 Sr. Systems Analyst (Supv)
00025 Secretary 1	00150 Computer Prog Trainee
00026 Secretary 2	00151 Computer Programmer
15002 Secretary 3	00152 Programmer Analyst
15003 Administrative Secretary	00166 Systems Programmer
	00167 Sr. Systems Programmer
00030 Off Svcs Supv 1	
00031 Off Svcs Supv 2	00187 Data Proc Spec 1
	00188 Data Proc Spec 2
00035 Telephone Oper	
00037 Chief Tel Oper	00161 Data Processing Manager
	00191 Data Processing Admin 1
00046 Redemption Clerk 1	00193 Data Processing Admin 2
00047 Redemption Clerk 2	00196 Data Processing Admin 3
00060 Word Processor 1	00210 Purchasing Agent 1
00061 Word Processor 2	00211 Purchasing Agent 2
00063 Word Processor 3	00212 Purchasing Agent 3
	00215 Purchasing Agent 4
00081 Microfilm Operator 1	
00082 Microfilm Operator 2	00235 Storekeeper 1
00083 Microfilm Operator 3	00236/80236 Storekeeper 2
	00237/80237 Storekeeper 3
00103 Data Entry Oper 1	
00104 Data Entry Oper 2	00252 Warehouse Operations Worker
00108 Data Entry Supv 1	00250/80250 Warehouse Supervisor 1
00109 Data Entry Supv 2	00256/80256 Warehouse Supervisor 2
00132 Data Proc Supv	
00111 System Support Work 1	00260 Mail Clerk 1
00112 System Support Work 2	00261 Mail Clerk 2
00113 System Support Work 3	
	00275 Treasurers Asst Cashier
	00276 Treasurers Cashier
00135 Computer Oper 1	
00136 Computer Oper 2	00290 Acct Technician 1
00137 Computer Oper 3	00292 Acct Technician 2
00147 Comp Opns Mgr 1	00294 Acct Technician 3
00148 Comp Opns Mgr 2	
00150 Computer Prog Trainee	00305 Acct Clerk 1
00151 Computer Programmer	00306 Acct Clerk 2
00152 Programmer Analyst	00307 Acct Clerk 3
00153 Lead Programmer	
	00309 Accountant/Auditor 1
	00311 Accountant 2
	00312 Accountant 3
	00315 Accountant 4

00309 Accountant/Auditor 1	00452 Insur & Claims Invest
00327 Field Auditor 2	00453 Insur Program Spec
00328 Field Auditor 3	
	00457 Insur Rate Analyst 1
00309 Accountant/Auditor 1	00458 Insur Rate Analyst 2
00343 Revenue Auditor 2	
00344 Revenue Auditor 3	00465 Actuary
00345 Out of State Rev Auditor	00466 Actuarial Administrator
00350 Revenue Examiner 1	00482 Warehouse & Grain Dealer Exam
00351 Revenue Examiner 2	00484 Whse & Grain Dir. Exam. Supv.
00357 Revenue Examiner 3	
00358 Revenue Examiner 4	00528 Utility Analyst 1
	00529 Utility Analyst 2
00354 Revenue Agent 1	00531 Sr Utility Analyst
00355 Revenue Agent 2	00532 Utility Specialist
00356 Revenue Agent 3	00535 Utility Admin 1
	00538 Utility Admin 2
00360 Tech Tax Spec 1	
00361 Tech Tax Spec 2	00543 Utilities Reg Eng 1
00362 Tech Tax Spec 3	00545 Utilities Reg Eng 2
00363 Tech Tax Spec 4	00546 Utilities Reg Eng 3
	00547 Utilities Reg Eng 3 (Supv)
00367 Property Appraiser 1	
00368 Property Apprasier 2	00633 Public Defender 1
00369 Property Apprasier 3	00634 Public Defender 2
00370 Property Appraiser 4	00635 Public Defender 3
	00636 Public Defender Supv 1
00375 Taxpayer Services Spec 1	00637 Public Defender Supv 2
00376 Taxpayer Services Spec 2	
00309 Accountant/Auditor 1	00640 Compliance Officer 1
00405 Bank Examiner 2	00641 Compliance Officer 2
00406 Bank Examiner 3	00642 Compliance Officer 3
00408 Bank Examiner 4	
00415 Bank Examination Analyst	00643 Attorney 1
00409 Bank Examiner 5	00644 Attorney 2
00417 Asst. Supt. Banking	00645 Attorney 3
00309 Accountant/Auditor 1	00673 Industrial Hygienist
00421 Credit Union Examiner 2	00674 Sr Industrial Hygienist
00422 Credit Union Examiner 3	
00430 Credit Union Exam Supv	00685 Treasury Invest Officer 1
	00686 Treasury Invest Officer 2
00309 Accountant/Auditor 1	00691 Admin Officer 1
00436 Financial Examiner 2	00692 Admin Officer 2
00441 Small Loan Supervisor	
00443 Jr. Insur Co. Examiner	00695 Investigator 1
00444 Insur Co. Examiner 2	00696 Investigator 2
00445 Insur Co. Examiner 3	00697 Investigator 3
00447 Insur Co. Examiner Spec	00698 Investigator 4
00446 Insur Co. Examiner 4	
00450 Asst. Chief Insur Co. Examiner	

00708 Admin Asst 1	00800 Job Service Aide
00709 Admin Asst 2	00801 Job Service Tech
00693 Executive Asst 1	
00694 Executive Asst 2	00803 Job Service Interviewer 1
	00805 Job Service Interviewer 2
00717 Fiscal & Policy Analyst 1	
00718 Fiscal & Policy Analyst 2	00810 Employment Counselor 1
00719 Fiscal & Policy Analyst 3	00812 Employment Counselor 2
00728 Fiscal & Policy Analyst 4	
	00813 Job Service Supv
00721 Budget Analyst 1	00814 Job Service Mgr
00722 Budget Analyst 2	
00723 Budget Analyst 3	00829 Retirement Benefits Tech 1
00725 Budget Analyst 4	00830 Retirement Benefits Tech 2
00733 Management Analyst 1	00831 Retirement Benefits Spec 1
00734 Management Analyst 2	00832 Retirement Benefits Spec 2
00736 Management Analyst 3	00836 Retirement Benefits Spec 3
00737 Management Analyst 4	00833 Deputy Admin/Benefits
	00838 State Retirement Program Admin
00740 Stat Asst 1	
00741 Stat Asst 2	00834 Retirement Trust Fund Asst
	00835 Retirement Trust Fund Spec
00743 Stat Research Analyst 1	
00744 Stat Research Analyst 2	00841 Retirement Invest Officer 1
00746 Stat Research Analyst 3	00842 Retirement Invest Officer 2
	00843 Retirement Invest Officer 3
00750 Info Spec 1	00837 Deputy Admin/Investments
00751 Info Spec 2	00838 State Retirement Program Admin
00754 Info Spec 3	
00755 Info Spec 3 Supv	00870 Labor Market Research Econ 1
	00871 Labor Market Research Econ 2
00766 Training Officer 1	00872 Labor Market Research Econ 3
00767/80767 Training Officer 2	00873 Labor Market Research Econ 4
00768 Training Officer 3	
	00881 Job Insur Quality Auditor 1
00770 Personnel Aide	00882 Job Insur Quality Auditor 2
00771 Personnel Tech	00884 Job Insur Quality Manager
00772 Pers Management Spec 1	00895 Refugee Spec 1
00773 Pers Management Spec 2	00896 Refugee Spec 2
00774 Pers Management Spec 3	00897 Refugee Spec 3
00775 Pers Management Spec 4	
00776 Pers Management Spec 5	00900 Lottery Tel-Sell Rep
00777 Pers Management Spec 6	00905 Key Account Exec
	00910 Lottery Marketing Supv
00781 Pub Service Exec 1	15925 Lottery Marketing Director
00782/80782 Pub Service Exec 2	
00784/80784 Pub Service Exec 3	00915 Lottery District Sales Rep
00786 Pub Service Exec 4	00918 Lottery Regional Mgr
00787 Pub Service Exec 5	00920 Lottery/State Indust Sales Mgr
00790 Admin Law Judge 1	01005 Educ Aide
00791 Admin Law Judge 2	01010 Educ Assistant
00792 Admin Law Judge 3	

01015 Educator 1	02105 Activities Aide
01016 Educator 2	02107 Activities Assistant
01017 Educator 3	
01018 Educator 4	02110/82110 Activities Specialist 1
01019 Education Consult	02111/82111 Activities Specialist 2
01021 Education Supv 1	02112/82112 Act Spec 2 (Supv)
01022 Education Supv 2	02115 Director of Activities
01025 Education Principal	
01027 Education Administrator	02118 Occupational Therapist 1
	02119 Occupational Therapist 2
01035 Vocational Instructor	
01037 Certified Voc Instr	02128 Physical Therapy Graduate
01040 Vocational Instr Supv	02130 Physical Therapist 1
01045 Vocational School Principal	02131 Physical Therapist 2
01306 Library Aide	02135 Speech Language Patholgist 1
01310 Library Associate	02136 Speech Language Patholgist 2
01313 Library Resources Tech 1	
01314 Library Resources Tech 2	02205 Medical Lab Technician
	02215 Medical Technologist
01315 Librarian 1	
01316 Librarian 2	02209 Radiological Technologist 1
01320 Librarian 3	02211 Radiological Technologist 2
01322 Library Prog Director	
	02220 Dental Assistant
01326 Archivist	02222 Dental Hygienist
01328 State Archivist	
	02226 Pharmacist
01330 Museum Tech	02228 Pharmacy Consultant
01341 Conservator	02232 Pharmacy Supervisor
01360 Capitol Guide Aide	02425 Disease Prevention Spec 1
01361 Capitol Guide	02426 Disease Prevention Spec 2
02002 Licensed Practical Nurse	02230 Health Prof. Investigator
02003 Licensed Practical Nurse Supv	02235 Chief Health Prof. Inv.
02020 Nurse	02521 Public Health Service Chief 1
02021 Nurse Clinician	02522 Public Health Service Chief 2
02065 Nursing Consultant	
02023 Nurse Supv 1	02570 Rehab Counselor Trainee
02022 Nurse Supv 2	02571 Rehab Counselor
02035 Nursing Services Director	02572 Rehab Counselor Spec
02041 Director of Nursing	
	03012 Social Worker 1
02020 Nurse	03013 Social Worker 2
02025 Nurse Educator	03016 Social Worker 3
02030 Nursing Education Director	03017 Social Worker 4
	03018 Social Worker 5
02065 Nursing Consult	03019 Social Worker 6
02070 Asst Dir Pub Hlth Nursing	
02071 Dir of Pub Hlth Nursing	
02085 Central Supply Worker 1	
02086 Central Supply Worker 2	

03020 Social Worker 3 (Supv)	03310 Chaplain
03021 Social Worker 4 (Supv)	03311 Chaplain Educator
03022 Social Worker 5 (Supv)	
03023 Social Worker 6 (Supv)	03313 Affirm Action Compl Off 1
03037 Social Work Administrator	03314 Affirm Action Compl Off 2
03030 County Social Service Dir 1	03345 Child Support Recovery Officer
03031 County Social Service Dir 2	03346 Child Support Recovery Supv
03032 County Social Service Dir 3	03347 Regional Collections Admin
03040 Youth Service Worker	03351 Volunteer Services Spec
03047 Youth Service Tech	03352 Volunteer Services Director 1
03048 Youth Service Supervisor 1	03353 Volunteer Services Director 2
03050 Youth Service Supervisor 2	03350 State Volunteer Program Dir
03055 Youth Counselor 1	03438 Civil Rights Specialist 1
03056 Youth Counselor 2	03439 Civil Rights Specialist 2
03057 Youth Counselor Supervisor	03440 Civil Rights Specialist 3
03090 Income Maintenance Worker 1	04005 Planning Aide 1
03091 Income Maintenance Worker 2	04006 Planning Aide 2
03092 Income Maintenance Worker 3	04407 Planning Aide 3
03093 Income Maintenance Worker 4	04408 Planning Aide 4
03094 Income Maintenance Worker 5	
03095 Income Maintenance Worker 6	04020 Program Planner 1
	04022 Program Planner 2
03165 Income Maint Worker 3 (Supv)	04023 Program Planner 3
03166 Income Maint Worker 4 (Supv)	04024 Program & Plan Admin 1
03167 Income Maint Worker 5 (Supv)	04025 Program & Plan Admin 2
03168 Income Maint Worker 6 (Supv)	
	04045 Transportation Plan in Trng
03175 Disability Deter Examiner 1	04046 Sr Trans Planner in Trng
03176 Disability Deter Examiner 2	04050 Transportation Planner 1
03177 Disability Deter Examiner 3	04051 Transportation Planner 2
	04052 Transportation Planner 3
03201 Resident Treatment Worker	04054 Transportation Planner 4
03202 Resident Treatment Technician	15402 Admin/Plan & Resh Div
03203 Resident Treatment Supv 1	
03204 Resident Treatment Supv 2	04068 Outdoor Recreation Planner 2
	04069 Outdoor Recreation Planner 3
03231 Treatment Prog Coord	
03230 Treatment Prog Supv	04106 Right of Way Aide 2
03232 Treatment Prog Mgr	04107 Right of Way Aide 3
03235/83235 Treatment Services Dir	04108 Right of Way Aide 4
03233 Treatment Prog Admin	
	04110 Right of Way Agent 1
03245 Psychologist 1	04111 Right of Way Agent 2
03246 Psychologist 2	04112 Right of Way Agent 3
03248 Psychologist 3	04113 Right of Way Agent 4
03249 Psychologist 4	04114 Right of Way Supv
03251/83251 Drug Abuse Counselor 1	
03252/83252 Drug Abuse Counselor 2	
03253/83253 Drug Abuse Counselor 3	

04221 Trans Engr In Trng	04363 Architectural Tech 1
04222 Trans Engr Assoc	04364 Architectural Tech 2
04223 Trans Eng 1	
04224 Trans Eng 2	04380 Engineering Office Asst 1
04225 Trans Eng 3	04381 Engineering Office Asst 2
04226 Trans Engineering Mgr 1	04400 Geological Aide
04227 Trans Engineering Mgr 2	04401 Geological Technician
04228 Trans Engineering Mgr 3	
04229 Trans Engineering Mgr 4	04405 Geologist 1
15401 Admin/Highway Div	04406 Geologist 2
	04407 Geologist 3
	04410 Geologist 4
04235 Roadside Development Spec 1	04415 Chemist 1
04236 Roadside Development Spec 2	04416 Chemist 2
04237 Roadside Development Spec 3	04417 Chemist 3
04240 Land Surveyor 1	04422 Microbiologist 1
04241 Land Surveyor 2	04423 Microbiologist 2
	04424 Microbiologist 3
04256 Facilities Engr 1	04517 Environmental Spec 1
04257 Facilities Engr 2	04518 Environmental Spec 2
	04519 Environmental Spec 3
	04516 Environmental Prog Supv
04305 Engineering Aide 1	04520 Environmental Engineer 1
04306 Engineering Aide 2	04521 Environmental Engineer 2
04308 Asst Soils Party Chief	04522 Environmental Engineer 3
04310 Soils Party Chief	
04312 Soils Parties Supv	04524 Health Facilities Officer 1
	04525 Health Facilities Officer 2
04305 Engineering Aide 1	04705 Telecom Operator
04306 Engineering Aide 2	04710 Chief Telecom Operator
04320 Construction Tech 1	
04321 Construction Tech 2	04715 Communications Center Spec 1
04323 Sr Engring Tech	04717 Communications Center Spec 2
04322 Construction Tech 3	04725 Communications Center Mgr.
04305 Engineering Aide 1	04735 Communications Technician 1
04306 Engineering Aide 2	04736 Communications Technician 2
04325 Asst Survey Party Chief	04737 Communications Technician 3
04326 Survey Party Chief	04740 Communications Technician Supv
04330 Surveys Supervisor	
04340 Materials Technician 1	04750 Traffic Signal Technician 1
04341 Materials Technician 2	04752 Traffic Signal Technician 2
04342 Materials Technician 3	
04345 Materials Technician 4	04775 Communications Engr
04353 Materials Technician Supv	04777 Communications Develop. Dir.
	04778 Chief Communications Engr
04343 Materials Fab Inspector 1	04779 Telecom Design Spec
04344 Materials Fab Inspector 2	04785 Telecom System Dev. Dir.
04355 Design Technician 1	
04356 Design Technician 2	
04357 Design Technician 3	
04358 Design Technician 4	
04361 Design Technician 5	

05005 Nursery Worker 1	06068 Law Enforcement Instructor
05006 Nursery Worker 2	06069 Law Enf. Academy Trng Coord.
05015/85015 Farm Leader	06300 Drivers License Examiner
05032/85032 Corrections Farm Manager	06301 Sr Drivers License Examiner
05101 Weights/Measures Inspector	06360/86360 Motor Vehicle Officer 1
05105 Sr Weights/Measures Inspector	06361/86361 Motor Vehicle Officer 2
05102 Food & Sanitation Inspector	06362/86362 Motor Vehicle Officer 3
05103 Food & Sanitation Survey Off	06364/86364 Motor Vehicle Officer 4
05100 Food & Sani Inspection Supv	06406/76406/86406 Correctional Off
05126 Meat Inspector	06409/76409/86409 Sr Correctional Off
05127 Sr Meat Inspector	06410/76410/86410 Correctional Supv 1
05138 Veterinarian	06411/76411/86411 Correctional Supv 2
05139 Veterinarian Supv	06415/86415 Correctional Security Mgr
05165 Lab Assistant 1	06416/86416 Correctional Security Dir
05166 Lab Assistant 2	06425 Correctional Deputy Supt
05167 Lab Assistant 3	15271 Institution Supt 1
05210 Park Ranger 1	15272 Institution Supt 2
05215 Park Ranger 2	06417/86417 Correctional Counselor 1
05217 Park Ranger 3	06418/86418 Correctional Counselor 2
05312 Fisheries Biologist 1	06420/86420 Correctional Treat Mgr
05313 Fisheries Biologist 2	06421 Correctional Treat Director
05332 Wildlife Biologist 1	06460 State Industries Sales Rep
05333 Wildlife Biologist 2	00920 Lottery/State Indust Sales Mgr
05334 Wildlife Biologist 3	06465/86465 State Industries Tech
05410 Forestry Leader 1	06467/86467 Sr. State Industries Tech
05411 Forestry Leader 2	06468/86468 State Industries Supv
05415 Forester 1	07005 Custodial Worker
05416 Forester 2	07010 Custodial Leader
05417 Forester 3	07015 Custodial Asst
05446 Natural Resources Engineer	07017 Custodial Supv
05447 Sr Natural Resources Engineer	07025 Building Servs Supv 1
05448 Natural Resources Engineer Supv	07027 Building Servs Supv 2
05465 Soil Conservation Tech 1	07110 Security Guard 1
05466 Soil Conservation Tech 2	07111 Security Guard 2
05467 Soil Conservation Tech 3	07113 Security Guard 3
06020 Criminalist 1	07115 Chief of Security
06021 Criminalist 2	07130 Airport Firefighter
06023 Criminalist 3	07131 Airport Firefighter Supv
06024 Criminalist 4	07200 Food Service Worker
06025 Crime Laboratory Admin	07210 Food Service Leader
	07215 Ingredient Room Worker 1
	07216 Ingredient Room Worker 2

07220 Cook 1	08015 Trades Helper
07221 Cook 2	08043/88043 Painter 1
	08044 Painter 2
07225 Baker 1	08015 Trades Helper
07226 Baker 2	08045/88045 Plumber 1
	08046/88046 Plumber 2
07236 Correctional Cook	
07237/87237 Corr Food Serv Coord	
	08110 Equipment Operator 1
07240 Canteen Clerk	08111 Equipment Operator 2
07245 Canteen Operator 1	08113 Equipment Operator 3
07246/87246 Canteen Operator 2	08115 Highway Maint Supv 1
	08116 Highway Maint Supv 2
07235 Food Production Supv	08117 Highway Maint Supv 3
07250/87250 Food Services Asst Dir	
07252 Food Services Director 1	08133 Bridge Inspector 1
07253/87253 Food Services Director 2	08137 Bridge Inspector 2
07254/87254 Food Services Director 3	08138 Chief Bridge Inspector
07258 Dietary Consultant	08215 Vehicle Dispatcher
07260 Pub Health Nutrition Dir	08220 Vehicle Fleet Supervisor
07305 Laundry Worker 1	08015 Trades Helper
07306 Laundry Worker 2	08325 Electrician 1
07310 Laundry Supervisor 1	08326/88326 Electrician 2
07311 Laundry Supervisor 2	
	08365 Automotive Service Worker
07315 Linen Room Attendant 1	08370 Automotive Mechanic Helper
07316 Linen Room Attendant 2	08375 Automotive Mechanic
	08380 Automotive Mechanic Leader
07320 Sewing Room Attendant 1	08390 District Mechanic
07321 Sewing Room Attendant 2	08382 Automotive Mechanic Supv
	08385 Automotive Shop Supervisor
08000 Control Center Operator	
08001 Control Center Supv	08405 Water & Disposal Plant Oper 1
	08406/88406 Water & Disp Plant Oper 2
08005 Maintenance Worker 1	
08006 Maintenance Worker 2	08410 Power Plant Engineer 1
08010/88010 Maintenance Leader	08415 Power Plant Engineer 2
08012 Facilities Maint Coord	08416/88416 Power Plant Engineer 3
08025 Buildings & Grounds Supv	08420/88420 Power Plant Engineer 4
	08421/88421 Chief Power Plant Eng
08015 Trades Helper	
08016 Maintenance Repairer	08025 Building & Grounds Supv
08020 Maintenance Repairs Leader	08425/88425 Plant Operations Mgr 1
08021/88021 Maintenance Repairs Supv	08426 Plant Operations Mgr 2
	08427 Plant Operations Mgr 3
08015 Trades Helper	
08040/88040 Carpenter 1	08511 Photographic Processor 1
08041/88041 Carpenter 2	08512 Photographic Processor 2
08015 Trades Helper	08520 Illustrator
08042 Mason	08518 Graphic Artist

08525	Reproduction Equip Oper 1	15184	Psychiatrist
08526	Reproduction Equip Oper 2	15184	Psychiatrist Bd/Certified
08530	Reproduction Equip Leader	15253	Deputy Asst 1
08535	Reproduction Supv	15302	Deputy Asst 2
08605	Beautician	15301	Deputy Asst 3
08610	Beauty Shop Operator	15271	Institution Supt 1
08675	Office Machine Repairer 1	15272	Institution Supt 2
08677	Office Machine Repairer 2	15273	Institution Supt Medical
10110	Capitol Sec Patrol Off	16000	Trooper
10111	Capitol Sec Patrol Sgt	16010	Trooper Pilot
10115	Capitol Sec Operations Off	16030	Sergeant
10170/80170	Special Agent	16040	Lieutenant
10188	Special Agent In Charge	16050	Captain
14584	Assistant Auditor 1	16060	Major
14585	Assistant Auditor 2	16075	Chief State Patrol
14587	Assistant Auditor 4	20583	Arts Programmer 1
14588	Assistant Auditor 5	20585	Arts Programmer 2
14589	Assistant Auditor 6	20574	Arts Programmer 3
14590	Deputy State Auditor	01071	Educ Program Consultant
14723	Producer/Director 1	30135	Asst Chief Area Schools
14722	Producer/Director 2	30137	Chief Area Schools
14755	Engineer 1	30240	Educ Division Admin
14756	Engineer 2	30167	Rehab Aide 2
14757	Engineer 3	30173	Rehab Aide 4
14759	Senior Engineer	01071	Educ Program Consultant
14703	Asst Dir Engring	30235	Asst Chief Career Educ
14705	Asst Dir Engring Operations	30237	Chief Career Educ
14760	Asst Cinematographer	30240	Education Division Admin
14720	Cinematographer	30251	Evaluator Trainee
14809	Fire Inspector 1	30252	Evaluator
14810	Fire Inspector 2	01071	Educ Program Consultant
14811	Fire Prevention Supv	30335	Asst Chief Compensatory Educ
14812	Asst Fire Marshall	30337	Chief Compensatory Educ
14813	Fire Marshall	30240	Education Division Admin
14913	Admin Asst 3	01071	Educ Program Consultant
14914	Admin Asst 4	30437	Chief Food & Nutrition
14923	Admin Asst 5	30240	Education Division Admin
14925	Admin Asst 6	01071	Educ Program Consultant
15180	Physician Resident	30535	Asst Ch Instruction/Curriculum
15181	Physician	30537	Ch Instruction/Curriculum
15182	Physician Specialist	30240	Education Division Admin
15183	Physician Bd/Certified		

01071 Educ Program Consultant	90025 Secretary 1
30635 Asst Chief Internal Operations	90026 Secretary 2
30637 Chief Internal Operations	95002 Secretary 3
30240 Education Division Admin	
01071 Educ Program Consultant	90060 Word Processor 1
30835 Asst Chief School Adm & Accr	90061 Word Processor 2
30837 Chief School Admin & Accr	90063 Word Processor 3
30240 Education Division Admin	
01071 Educ Program Consultant	90150 Computer Prog Trainee
30935 Asst Chief Special Educ	90151 Computer Programmer
30937 Chief Special Educ	90152 Programmer/Analyst
30240 Education Division Admin	90153 Lead Programmer
31235 Asst Chief Disabs Deter Svcs	90150 Computer Prog Trainee
31237 Chief Disabs Deter Svcs	90151 Computer Programmer
	90152 Programmer Analyst
	90156 Systems Analyst
	90157 Sr Systems Analyst
31335 Asst Chief Admin Services	90150 Computer Prog Trainee
31337 Chief Admin Services	90151 Computer Programmer
	90152 Programmer Analyst
	90166 Systems Programmer
	90167 Sr Systems Programmer
41005 Program Admin	
41001 Sr Program Admin	
41009 Asst Plant Opers Mgr	
41190 Plant Opers Mgr	
41050 Services Specialist 1	90290 Accounting Technician 1
41120 Services Specialist 2	90292 Accounting Technician 2
41151 Sr Services Specialist 1	90294 Accounting Technician 3
41192 Sr Services Specialist 2	
41121 Sr Services Specialist 3	90305 Accounting Clerk 1
	90306 Accounting Clerk 2
	90307 Accounting Clerk 3
45007 Asst Attorney General 1	90309 Accountant/Auditor 1
45008 Asst Attorney General 2	90311 Accountant 2
45009 Asst Attorney General 3	
45027 Attorney Supv	90309 Accountant/Auditor 1
45000 Deputy Attorney General	90327 Field Auditor 2
45012 Investigator 1	90528 Utility Analyst 1
45013 Investigator 2	90529 Utility Analyst 2
45014 Investigator 3	90531 Sr Utility Analyst
45015 Investigator 4	90532 Utility Specialist
45044 Secretary/Receptionist	90640 Compliance Officer 1
45038 Legal Secretary 1	90641 Compliance Officer 2
45039 Legal Secretary 2	
45040 Legal Secretary 3	90643 Attorney 1
	90644 Attorney 2
	90645 Attorney 3
90012 Clerk Typist 2	
90013 Clerk Typist 3	
90011 Clerk	90708 Administrative Asst 1
90017 Clerk 3	90709 Administrative Asst 2
90018 Clerk 4	90693 Executive Asst. 1
	90694 Executive Asst 2

90723 Budget Analyst 3
90725 Budget Analyst 4

90736 Management Analyst 3
90737 Management Analyst 4

90750 Information Spec 1
90751 Information Spec 2

90766 Training Officer 1
90767 Training Officer 2
90768 Training Officer 3

93013 Social Worker 2
93016 Social Worker 3

93313 Affirm Action Compl Off 1
93314 Affirm Action Compl Off 2

94022 Program Planner 2
94023 Program Planner 3

94584 Asst Auditor 1
94585 Asst Auditor 2
94586 Asst Auditor 3

94913 Administrative Asst 3
94914 Administrative Asst 4
94923 Administrative Asst 5
94925 Administrative Asst 6

98525 Repo Equip Operator 1
98526 Repo Equip Operator 2

Sue



DEPARTMENT OF REVENUE AND FINANCE
GERALD D. BAIR, DIRECTOR

October 16, 1991

TO: Public Financing Task Force Members

Robert Rigler, Co-Chair	
Marvin Selden	Pat Cavanaugh
Glen Erickson	Dick Hahn
Dick Christie	Kay Chapman
Anita Mandelbaum	Mike McCarville
Tom Gould	Mike Fitzgerald
William Lepley	

Dear Task Force Members:

Enclosed are the notes and handouts from our October 11, 1991 meeting.

The next Task Force meeting will be on Friday, October 25 at 10:00 a.m. and will be held in the same place as previous meetings (Drake University - Hawkeye Bank and Trust Building, 24th & University, lower level classroom #1).

This meeting is anticipated to last into the afternoon, possibly 2:00 or so. Therefore, a working lunch is being planned. Box lunches (turkey, ham or roast beef sandwich, chips, cookie, fruit) will be ordered from Drake University at a cost of approximately \$5.50 each. Please let Bonnie know (515-281-3204) by Monday if you will be at the meeting, if you would like a lunch ordered, and your preference of sandwich.

Sincerely,

G. D. Bair, Co-Chair
Public Financing Task Force

GDB/bm

cc: Staff - Dave Plazak
 Rich Jacobs
 Ron Amosson
 Chris Van Meter

*Thursday
2:30-3:00*

PUBLIC FINANCING TASK FORCE MEETING
OCTOBER 11, 1991
NOTES

Present: Gerry Bair, Co-chair, Robert Rigler, Co-Chair,
Pat Cavanaugh, Glen Erickson, Dick Hahn, Dick Christie,
Mike McCarville, Anita Mandelbaum, Larry Thornton
(for Mike Fitzgerald), Lee Tack (for Bill Lepley)

Staff: Ron Amosson, Rich Jacobs, Dave Plazak,
Chris Van Meter, Bonnie Mackin

Not Present: Kay Chapman, Tom Gould, Marvin Selden

Gerry Bair opened the meeting by updating the Task Force on the activities of the Spending Reform Committee and highlighted the Executive Committee meeting with Chairs and Co-chairs on October 2.

It was announced that Wayne Richey, of the Board of Regents will be joining the Public Financing Task Force as a member and three representatives from the colleges (Madden, Conners, True) will be serving on the Education sub-task force.

A "General Fund Estimates by Sub Task Force" (Attachment 1) handout was distributed and explained by Chris Van Meter. It was noted that the document was broken down by sub task forces and that community colleges were not included.

Presentations were made by the chairpersons of each sub task force.

Human Services

Pat Cavanaugh, Chair, distributed and discussed the proposals from the Human Services sub task force (Attachment 2). The four items on the first page (Medicaid, ADC) were the largest categories besides the miscellaneous category, which also related back to Medicaid. As well as being the largest budget items, they also have mandatory components which must be considered. Federal mandates state that the program must be provided to certain people at a certain level to receive matching funds. If these programs were eliminated, the state would lose \$500 million in federal funds. With ADC and Medicaid bases mandated by the federal government it has created difficulty for the task force. The sub task force can identify only 15% that can be taken from Medicaid without opting out of the program. It would cost \$269 million for a total state run program but the state would lose \$500 million in federal matching funds, therefore nothing is saved.

Item 3 (Toledo Juvenile Inst.) was discussed and it was noted that it costs \$5 million a year to run the Toledo home for 92 children.

Glen Erickson, who is on the Human Service sub task force, stated that he had not been invited to either of the group's meetings and disagreed with some of the recommendations. Pat apologized and stated he would go over the work to date with Glen.

Discussion: Federal match varies from program to program. Medicaid is 63% federally funded. The percent of federal is starting to go down (\$2.00 federal - \$1.00 state). Staff was asked to compile a list of services which are 100% state funded. It was also asked that incentive programs be identified (such as outpatient vs. inpatient, generic drugs, vs. regular drugs, child support recovery, etc.). The idea of privatization as an efficiency measure vs. deprivatization needs to be explored (such as public doctors and clinics). Look at restructuring and eliminate "categories" and spend each dollar to it's best use. Categories are now set by state budget. The lid should be taken off these categories which would provide service to existing clients with less money. Gerry Bair stated that the whole service delivery mechanism is being looked at by several task forces (Technology, Service Delivery).

Education

Dick Hahn made the presentation for chairperson Tom Gould who was absent. Dick distributed and discussed a handout (Attachment 3) of the group's recommendations. He stated that the sub task force is just getting started with work in the Regents area. Regarding cost per student, it was noted that there has been a doubling in the last ten years.

Discussion: Student/Teacher ratio was further discussed. It was noted that the Community Colleges have been invited to attend the next meeting of this sub task force. Representatives from ISU, U of I, and UNI will be included in the sub task force. It was noted that the group needs to look at the funding streams of colleges (general fund and others).

Funding Alternatives

Gerry Bair distributed and discussed handouts (Attachments 4-7) on the group's proposals to date. In discussing the first page he stated they are looking at discretionary non-essential funds as well as motor vehicle use tax funds and will be working more in this area in the future. Retiring the GAAP deficit was discussed and the audit of future GAAP number. Gerry stated that a comprehensive expenditure study of the state needs to be done as a long term project.

Discussion: It was discussed that this group needs to look further at a regional "One Stop Shop" with the Finance Restructuring sub task force.

Finance Restructuring

Mike McCarville distributed and discussed a handout (Attachment 8) on the proposals of this sub task force. Some of the recommendations included turning all the financing of schools over to state government and creating 100 school districts. The idea would eliminate the mix of funding. Another recommendation was that all road maintenance go to the local government, again, to reduce overlap in government. A "One Stop Concept" was also recommended which would combine Human Service and Medicaid services regionally.

Discussion: Road use tax was discussed and it was noted that a recommendation on the plowing of roads came from a study of 10 years ago. Service Delivery and IGR are looking at the consolidating of garages. A second look should be taken at the state taking over all of education. The Alternative Funding and Finance Restructuring sub task forces need to get together).

Bill Hanson of the Association of General Contractors was introduced by Bob Rigler. Mr. Hanson discussed the Johnson Plan and distributed a handout (Attachment 9). He felt that federal dollars would be lost if the Auditor's plan was implemented (\$5 would be lost for every \$3.60). Gerry Bair stated the Funding Alternative sub task force will analyze the information provided by Mr. Hanson.

Future Activities

A handout on questions to consider in performing analyses (Attachment 10) was distributed. Task force members were asked to keep these questions in mind when analyzing their ideas. A form will be distributed in the near future for use in presenting ideas. Gerry Bair asked that each sub task force meet at least once more before the next meeting of the full task force.

The next meeting will be October 25 at 10:00 a.m.

PUBLIC FINANCE TASKFORCE
 General Fund Estimates by Subtaskforce
 (in millions)

State Aid Portion

EDUCATION

College Aid Commission	
Tuition Grant Program	\$ 31.42
Aid to Med. - Ost (grants)	.39
Aid to Med. - Ost (Subvention)	.42
College Work-Study Program	2.98
Scholarship Program	.79
Voc Tech Tuition Grant	1.27
Student Aid Programs	1.81
National Guard Program	.22
Dept. of Education	
Vocational Youth Organization	.04
School Food Service	2.96
Textbook-Nonpublic	.58
Vocational Ed Secondary	3.55
Merged Area-General Aid	103.52
Merged Area General Aid-4	16.11
MAS Property Tax Replacement	1.14
Program for Educational Excellence	98.88
School Foundation Aid	1,195.00
Instructional Support Levy	15.00
Transportation-Nonpublic	5.96
Independent Living	.02
Child Development-New	11.70
Board of Regents	
Tuition Replacement	22.99
	<u>\$1,516.74</u>

HUMAN SERVICES

Dept. of Human Services	
Comission of Inquiry	.01
Non-Res. Transfer of Mentally Ill	.00
Non-Res Commitment	.11
Medical Assistance	270.03
Medical Contracts	4.21
Juvenile Justice-County Based	5.12
Community Services	40.02
Child Support Recoveries	3.03
Aid to Dependent Children	43.54
Promise Jobs	4.10
Aid to Indians	.04
State Supplementation	19.80
MH/MR/DD Special Services	.37
Volunteers	.09
Community Based Services	3.85
Transitional Child Care	.31
Child Care Services	7.10
Social Services Block Grant	4.48
Foster Care	65.79
Family Support	.65
DD Family Grants	.05
Homebased Services	19.06
Child Protection	.54
Housing Emergency Assistance	.48
Gamblers Assistance	.39

\$ 493.19

FUNDING ALTERNATIVES

Dept. of Personnel	
Worker's Compensation	5.96
Dept. of Revenue & Finance	
Ag Land Tax Credit	41.67
Property Tax Replacement(405A)	59.92
Sales Tax Fees & Costs	.17
Homestead Credit	99.61
Extra Ordinary Prop Tax Reimbursement	11.49
Peace Officer's Reimbursement	3.10
Franchise Tax Reimbursement	9.39
Military Service Tax Credit	2.97
Insurance Reserves	12.00
Dept. of Corrections	
Phase I Bond Payments	.61
Phase II Bond Payments	3.16
State Cases	.07
Dept. of Public Defense	
Compensation & Expense	.04
Dept. of Transportation	
Public Transit	6.61
	<hr/>
	\$ 256.77
	\$2,266.02

HUMAN SERVICES

Updated 10/11/91

<u>PROPOSAL</u>	<u>SOURCE OF FUNDS</u>	<u>POTENTIAL IMPACT</u>	<u>DECISION AFFECTS OTHER FUNDS?</u>	<u>IMPACT ON AFFECTED GROUPS</u>
1. Eliminate all optional Medicaid coverages for persons over 21	General Fund	\$10m Plus*	Loss of Federal Match (\$17m)	Loss of medical service for eligible persons Loss of income for medical care providers Possible shift of costs to counties
2. Eliminate all optional Medicaid eligibility	General Fund	\$27m Plus*	Loss of Federal Match (\$42m)	Loss of subsidized medical service for approximately 36,000 persons Loss of income for medical care providers Possible Possible shift of costs to counties
3. Place 92 children now in Toledo Juvenile Inst. in group care; possible asset sale	General Fund	\$2m	To Be Determined	Need for group home placement for 54 delinquent girls and 38 CINA kids
4. Reduce the overall use of group care for Foster Care by 1/3 (600 cases); increase the use of family care by 600 cases; increase the expenditure per family care case by \$2000	General Fund	\$7m	To Be Determined (Should be \$0)	Need to increase the number of available Foster Care families by about 1/3. (May be infeasible in the short-run)

* Direct program costs only. Other staff cost savings may be involved.

HUMAN SERVICES SUB TASK FORCE SCOPE

SCOPE	ESTIMATED FY 1993
Medicaid	269.53
Foster Care	65.79
Juvenile Justice/County	5.12
Aid to Dependent Children	43.54
Miscellaneous (See Table)	174.53
State Institutions	156.24
TOTAL	714.75

Scope Based On Medicaid, Foster Care
Juvenile Justice and ADC Only

10 Percent Reduction	38.40
20 Percent Reduction	76.80
40 Percent Reduction	153.59

PROGRAM DETAIL

MISC PROGRAMS (NOT INSTITUTIONS)

Medical Contracts	4.21	Medical
State Supplementary Assist.	19.80	Medical
Enhanced Title XIX	4.83	Medical
Community Based Services	3.85	Children
Child Support Recovery	3.03	Children
Community Services	40.02	Children
Child Care Services	7.41	Children
Local Purch. Services	4.48	Children
Home Based Services	19.06	Children
Court Ordered Services	3.62	Children
Child Protection	0.54	Children
Non-Resident Commitment	0.11	Ment. Health
Special Services Fund	0.37	Ment. Health
Enhanced MH/MR/DD	2.55	Ment. Health
Family Support Subsidy	0.65	Ment. Health
Community Mental Health	3.10	Ment. Health
Special Needs Grants (DD)	0.05	Ment. Health
Non-Resident Transfer	0.00	Ment. Health
Emergency Assistance	0.48	Income Maint.
Promise Jobs	4.10	Income Maint.
Aid to Indians	0.04	Income Maint.
Commission of Inquiry	0.01	Other
Gambler's Assistance	0.39	Other
Volunteers	0.09	Other
Social Services Block Grant	4.48	Other
Disabilities Policy Board	0.03	Other
DHS Field Operations	38.3	Other
DHS General Admin.	8.93	Other

MISC. NON-INSTIT. PROGRAMS 174.53

STATE INSTITUTIONS

Toledo (Juvenile)	4.55
Eldora (Juvenile)	7.81
Marshalltown (Veterans)	28.72
Cherokee (MH)	14.44
Clarinda (MH)	7.39
Independence (MH)	15.49
Mt. Pleasant (MH)	8.96
Glenwood (MR)	37.87
Woodward (MR)	31.01

STATE INSTITUTIONS 156.24

OPTIONAL MEDICAID SERVICES

Potential Savings for Persons Age 21 and Over: (State Dollars)

	<u>FY 93 Budget</u>	<u>Potential Savings Of Persons Over 21</u>
Clinic Services*	\$ 422,000	\$ 274,300
Durable Medical Equipment and Supplies	3,588,500	2,511,950
Other Practitioners**	1,018,000	376,660
Dental	7,526,600	4,666,492
Optometric	1,641,800	985,080
Chiropractic	552,400	403,252
Podiatric	409,400	339,802
Psychologists	81,500	45,640
Ambulance	276,300	215,514
Model Waiver	550,300	60,533
Mental Health Centers	937,000	609,050
Birthing Centers	<u>7,300</u>	<u>4,745</u>
	\$17,011,100	\$10,493,018

*Includes Maternal Health Centers

**Includes Rehab Agencies, Physical Therapists,
AEA's CRNA and Audiologists

4/16/93

IOWA FOSTER CARE COSTS (FY93)

<u>TYPE OF CARE</u>	<u>CASES FY93</u>	<u>COST PER CASE</u>
Institution (Toledo)	92	\$49,456
Group Care	1847	\$28,111
Family Care	2131	\$8,328

Other Human Services Ideas To Be Investigated

Foster Care/Juvenile Justice

1. Are K-12 schools still getting credit for enrolling students sent out of state for care?
2. Cut clients served or cost per case and fund prevention/intervention services with part of savings.
3. Increase parental responsibility and third party recoveries.
4. System Reforms: Expand decategorization concept; integrate service delivery system regionally; "one stop shopping"; "gatekeepers"

Aid to Dependent Children

1. Is the unemployed parent program a federal mandate?
2. Does Iowa provide any optional services that could be cut?
3. How do Iowa's rates compare with other states'/cost of living?
4. System reforms: expand welfare to work concept; "one stop shopping"; use expert systems to help screen eligibility

Medicaid

1. Lobby for fewer federal mandates and more state flexibility
2. Opt out of the federal program and create a more flexible, state-funded program
3. System reforms: managed care; indigent care system; "Oregon system"

MEMORANDUM

TO: Committee for Public Financing Task Force

FROM: Education Sub-Task Force
Tom Gould, Chairman
Marv Selden, Vice-Chairman
Dick Hahn, Member
Dick Christie, Member

DATE: October 9, 1991

SUBJECT: Meeting held on Friday, October 4, 1991

Those in attendance other than the above were:

Ron Amossen	Gary Meyer	Jay Horshman
Lowell Dauenbaugh	Lee Tack	Jon Heisner
Jay Marshall	Stuart Voss	

Our sub-task force agreed unanimously on the following recommendations:

1. Permanently establish the 3.75% roll-back, which will result in a savings of approximately \$37 million annually.
2. Eliminate the Phase III program, which will result in a savings of \$41 million.
3. Increase the student/teacher ratio from 15.5 students to 20.5 students, resulting in a savings of approximately \$180 million. We would use \$120 of the \$180 million to create incentives for teachers to achieve in Iowa a World Class Education status program. This would result in a net savings of approximately \$60 million.
4. Consolidation of school districts from the current 425 to 125 districts. (Savings to be determined.)
5. Regionalize into five regions all administrative and support functions that support the school systems. (Savings to be determined.)
6. Recommend that the Iowa College Student Aid Commission take a \$4 million reduction from the 1991 budget of \$41.7 million, bringing the 1992 budget to \$37.5.

We will review the Regents at our next meeting scheduled for Wednesday, October 16. At that time we will look for an across the board cut, a minimum of a 10% reduction on the regent funding.

The savings to date from the above recommendations total \$142 million. We will continue to update you on our progress.

Pupil-Teacher Ratio

Fall of	Iowa	Rank	Nation
1970	20.2	42	22.3
1972	19.7	39	21.8
1976	18.2	39	20.3
1978	17.2	42	19.6
1985	15.7	39	18.0
1989	15.5	37	17.2

Source: Rankings of the States

1=High Ratio
50=Low Ratio

	1991 Data	Proposal
1991 Headcount of students	483,395	
Pupil-Teacher Ratio	15.5	20.5
Number of teachers	31187	23580

This represents a reduction in the number of teachers by: 7607

Realistically, we rounded down to a reduction of: 6000

Approximately \$30,000 per year average salaries & benefits \$30,000

Projected cost savings: \$180,000,000

But, to get the teachers to support such a plan,
we are suggesting a plowed back incentive to remaining teachers
and funding to hire adequate teaching aids
and support (para professionals) \$120,000,000

Net savings: \$60,000,000

State funding of education

Year	Student Headcount	Iowa's portion of Total Budget (bil.\$)	Average Cost/Student
1981	551,000	\$1.200	\$2,178
1991	483,000	\$2.043	\$4,230

Following financing sources are not included in formula:

Property Tax funding:	Schoolhouse	\$105.1	
	Management	30	
	Cash Reserve	30	
	Instructional Support, etc.	25.7	
Total Other Property Taxes			190.8
Income Surtaxes			12.4
Other State Funding (Ph 1,2,3)			117.6
All Other			129.7
			<u>450.5</u>

← Not in school aid formula

FY92 SCHOOL AID FORMULA

FORMULA PART 1 (SPENDING)

COMBINED DISTRICT COST is the sum of:

Regular Program District Cost Per Pupil	X	Budget Enrollment	\$1,598.6
Regular Program District Cost Per Pupil	X	Supplemental Weights	20.2
Regular Program District Cost Per Pupil	X	Special Ed Weights	135.4
AEA Special Ed Support Cost Per Pupil	X	AEA Weighted Enrollment	76.2
AEA Media Services Cost Per Pupil	X	Enrollment Served	14.0
AEA Ed Services Cost Per Pupil	X	Enrollment Served	15.4
Regular Program Budget Adjustment			5.2
AEA Support Adjustment			0.1
Additional Allowable Growth			20.3
Total			<u>\$1,885.4</u>

FORMULA PART 2 (FINANCING)

A. Combined District Cost	Additional Property Taxes \$367.8		17%
B. Foundation Level	State Foundation Aid \$1128.4		83%
C. Uniform levy	Uniform Property Taxes \$389.2		\$5.40 across the state

PROPOSAL	POTENTIAL IMPACT	DECISION AFFECTS OTHER FUNDING	IMPACT ON AFFECTED GROUPS
Permanently establish the savings from the 3.25% across-the-board reduction and also limit spending authority by a like amount.	\$37 million state aid savings.	None	State and district costs per pupil will be reduced
Eliminate the Phase III program.	Reduced state appropriation of \$41 million.	None	Reduced teacher incentive to improve their skills and/or to assume additional responsibilities.
Increase student/teacher ratio from 15.5 students to 20.5 students.	Net savings to state of \$60 million.	None	Gross savings of \$180 million. \$120 million would be used to create incentives for teachers. Net savings to State general fund of \$60 million. Would accelerate the consolidation of local school districts.
Regionalize administrative and support functions that support local school districts.	Savings to be determined.	To be determined.	To be determined.
Reduce the appropriation to the Iowa College Student Aid Commission by \$4.0 million.	\$4 million state general fund savings.	None	Impact on the number of students receiving aid to attend private and other colleges.
Review Regents' institutions, the Board office and Community Colleges for a minimum 10% reduction.	\$60 million	To be determined.	To be determined.

CONCEPTS UNDER CONSIDERATION BY
 SUB TASK FORCE ON FUNDING ALTERNATIVES
 OCTOBER 11, 1991

PROPOSAL	SOURCE OF FUNDS	POTENTIAL IMPACT	DECISION AFFECTS OTHER FUNDING	IMPACT ON AFFECTED GROUPS																
<p>1. Examine Priority assigned to revenue sources external to General Fund &/or which provide for discretion in their allocation. Examples of such revenue sources include but are not limited to the potential for transfer of the Motor Vehicle Use Tax from Road Use Tax Fund to General fund</p>	<p>Various Funding Sources</p>	<p>Fy 92 Motor Vehicle Use Tax distribution:</p> <table border="0"> <tr> <td>State</td> <td>\$46.3</td> </tr> <tr> <td>City</td> <td>\$19.5</td> </tr> <tr> <td>County</td> <td>\$31.7</td> </tr> <tr> <td>Total</td> <td>\$97.5</td> </tr> </table> <p>Other Fund uses:</p> <table border="0"> <tr> <td>LUST Fund</td> <td>\$15.3</td> </tr> <tr> <td>Public transit</td> <td>\$6.1</td> </tr> <tr> <td>Other</td> <td>\$4.1</td> </tr> <tr> <td>Total</td> <td>\$123.0</td> </tr> </table>	State	\$46.3	City	\$19.5	County	\$31.7	Total	\$97.5	LUST Fund	\$15.3	Public transit	\$6.1	Other	\$4.1	Total	\$123.0	<p>a. Possible affect on federal funding matches</p> <p>b. Funds used to support bonds sold for leaking underground tank protection</p> <p>c. Other impacts dependent on discretionary revenue sources examined</p>	<p>a. Reduction in Road Funding will affect highway construction.</p>
State	\$46.3																			
City	\$19.5																			
County	\$31.7																			
Total	\$97.5																			
LUST Fund	\$15.3																			
Public transit	\$6.1																			
Other	\$4.1																			
Total	\$123.0																			
<p>2. Budgeting Revisions:</p> <p>a. Estimate GAAP Deficit using future GAAP standards.</p> <p>b. Establish controls for use of funds for retirement of GAAP deficit and to establish reserve funds</p>		<p>Est'd FY 92 Future GAAP adjustment \$182 million reduction in GAAP Balance</p>		<p>Improves states financial reporting</p>																
<p>3. Comprehensive Revision in State/Local Financing Efforts:</p> <p>a. Revise level of State funding of Local Assistance Programs other than education</p> <p>b. Provide opportunities for local governments to achieve expenditure reductions through improved efficiencies in service delivery</p> <p>c. Review state mandated programs to identify opportunities for reduction in local expenditures</p>	<p>State General Fund</p> <p>Local Property Tax and State Funds</p>	<p>\$240 to \$280 million reduction in state expenditures</p> <p>Undetermined reduction in local expenditures</p>		<p>a. Approximately 80% of funds are viewed as replacement for property tax credits</p> <p>b. A portion of remaining funds are provide directly to service providers</p>																

PROPOSAL

SOURCE OF FUNDS

POTENTIAL IMPACT

DECISION AFFECTS OTHER FUNDING

IMPACT ON AFFECTED GROUPS

3. Comprehensive Revision in State/Local Financing Efforts: (CONTINUED)

- d. Examine alternatives to enhance local revenues as replacement for reduced state expenditures. Alternatives include:
- (1) Revenue Generation from property currently exempt from property tax
 - (2) Increase potential utilization of locally imposed taxes such as sales, hotel, income or wheel taxes

No State Impact

Dependent on level of utilization

a. Increased costs for exempt property owners

4. Conduct comprehensive examination of revenue foregone as a result of statutory tax expenditures

State and Local

State Funding to Local
Governments
FY 91

State Funded Program -----	Total (\$millions) -----
1 School Foundation	\$1,050.2
2 Phase 1,2,&3 Aid	\$91.4
3 Merged Area Colleges	\$101.1
SUBTOTAL EDUCATION PROGRAMS	----- \$1,242.7
4 Franchise	\$10.9
5 Property Tax Assistance	\$238.0
-Homestead Credit	\$101.4
-Ag. Land Tax credit	\$43.5
-Property Tax Replacement	\$67.7
-Elderly credit	\$10.9
-Military Tax Exemption	\$3.0
-Peace Officers Retirement	\$3.7
-M & E Replacement	\$7.8
6 Mental Health	\$2.5
7 Enhanced services	\$0.7
8 Regional Libraires	\$1.4
9 Substance Abuse	\$7.2
10 Homemaker Grants	\$8.7
11 PHN Grants & Well Elderly Clinics	\$3.3
13 REAP Grants	\$6.9
14 Ems Training and Equip.	\$1.2
SUBTOTAL OTHER THAN EDUCATION	----- \$280.8
TOTAL	----- \$1,523.5
NON GENERAL FUND	
1 MOTOR VEHICLE USE TAX DISTRIBUTION THROUGH RUT	\$51.2
2 OTHER	----

Property Exempt
from Property Tax

Issue:

Under state law local property tax is levied against real property. There are, however, a variety of exemptions granted to property based on ownership or use of the property. The assessment and placement of a charge or property tax on currently exempt property may provide a revenue source for local governments.

Background:

- . In 1990, total market value of real property was \$83 billion.
- . By definition, tangible and intangible personal property is exempt.
- . Statutory exemptions are classified in Attachment 1. These exemptions are organized by 8 major classes.

Estimated Impact:

- . A portion of property exempt from taxation is assessed and reported annually to the state. The reporting is subject to major limitations when used as a basis for determining the potential fiscal impact of imposing a tax on such property.
 - First, major classes of property are not assessed. These include Government property, including local schools, as well as all intangible and tangible personal property.
 - Second, due to the exempt status of the property the level of accuracy involved in the assessment varies throughout the state.
 - Third, due to the special nature of various property such as churches and facilities used for entertainment, accurate assessments of the market value may be difficult.
- . Data compiled from 1990 assessments indicated total assessments of exempt property exceed 6.3 billion.

ASSESSED VALUE OF EXEMPT REAL PROPERTY
BY TYPE OF EXEMPTION

CLASS OF EXEMPT PROPERTY	1990 ASSESSED VALUE (\$MILLIONS)	
EXEMPT PROPERTY SUBJECT TO VALUATION		
1. EDUCATIONAL PURPOSES		\$606.4
Does not include government owned facilities		
2. RELIGIOUS, LITERARY AND CHARITABLE SOCIETIES		\$2,793.4
Religious Institutions	\$1,659.8	
Literary Societies	\$18.9	
Associations of War Veterans	\$18.9	
Fraternal Associations	\$61.1	
Agricultural Societies	\$22.1	
Hospitals	\$717.8	
Retirement Homes	\$180.3	
Nursing Homes	\$114.5	
3. MISCELLANEOUS		\$490.9
Low Rent Housing	\$205.3	
Pari-mutuel racetracks	\$67.1	
Other	\$218.5	
ASSESSED VALUE OF EXEMPT PROPERTY		\$3,890.7
OTHER PROPERTY SUBJECT TO SPECIFIC EXEMPTION		
4. LOCALLY AUTHORIZED		\$441.1
Urban Revitalization	\$270.5	
Industrial Property Moratorium	\$170.6	
5. SPECIFIC USE		\$1,935.4
Pollution Control	\$192.9	
Agricultural Impoundments	\$1.0	
Natural Conservations	\$11.8	
Forest and Fruit Tree reservations	\$76.7	
Industrial Machinery & Computers	\$1,653.0	
ASSESSED VALUE PROPERTY SUBJECT TO SPECIFIC EXEMPTION		\$2,376.5
ESTIMATED ASSESSED VALUE OF EXEMPT PROPERTY		\$6,267.2
EXEMPT PROPERTY NOT SUBJECT TO VALUATION		
6. GOVERNMENT OWNED		
7. PUBLIC GROUNDS AND CEMETERIES		

LONG-RANGE AREAS OF OPPORTUNITY:
PUBLIC FINANCING

Problems:

1. The overall mission of state and local government in Iowa is unclear. There is no agreed-upon definition of which services are essential and which are discretionary.
2. There is considerable overlap in the roles of state and local governments, particularly in the areas of education, health and human services and transportation.
3. There is fragmentation of many government services in Iowa among hundreds of small local units resulting in a higher proportion of spending on administration and overhead than would otherwise be necessary.
4. Service delivery systems for government services are often not easy for users to understand or access.
5. Fund balances held by various units of government are deposited in many different accounts.

Potential Opportunities:

1. Develop a plan to minimize overlap in functions between levels of government, e.g. have state government assume the role of financing all education in return for local assumption of other services now provided by state government.

Specific concept being analyzed:

- a. State assumes all funding and responsibility for K-12 education. Number of districts is reduced. Local school boards are eliminated. Minimum teacher/pupil ratio is established. Regional superintendents are appointed. Site management is promoted. Parents are closely involved in managing individual schools.
- b. Local governments assume all responsibility for maintaining roads and highways. DOT only retains responsibility for constructing Interstates and Primary Roads (about 10,000 out of 110,000 miles total). DOT sets maintenance standards for Interstates and Primary Roads. Maintenance funds are distributed by formula for local roads and by contract for former State roads. Consolidation of local maintenance activities is encouraged or mandated.
- c. Human services and Medicaid are all managed regionally. The State's role is to distribute money to regional service provider groups. Funding is made as flexible as possible through decategorization and waivers. The State sets performance goals and it is the responsibility of regional groups to carry them out. "One

stop shopping" systems are established for services with similar client groups, e.g. family-oriented services.

Consolidate

2. Unify state and local government funds in a single account ("One Bank") to improve cash flow and reduce short-term borrowing costs.
3. Develop a unified government budget (state and local units combined) for Iowa so that total spending by program area can be easily identified. (AUR recommendation)
4. Revamp service delivery systems along lines of customer need and make access simpler--"seamless delivery" or "one-stop shopping".
5. Realize scale economies and reduce administrative overhead by consolidating some local government functions into regional centers.
6. Redesign all funding formulas to encourage service sharing and administrative efficiency; reward resource sharing and low overhead costs.
7. Utilize technology more effectively to move funds and to deliver some services remotely.
8. *Limit surplus operating balances.*

PRINCIPLES FOR FUTURE GOVERNMENT IN IOWA

- * The essential services to be provided by state and local government in Iowa are agreed upon and clearly identified.
- * The missions of each level of government in Iowa, e.g. state, regional, county, city and specialized units, are clear and distinct.
- * State government's role is to provide for those services that only it can provide efficiently and to equalize opportunity for citizens to access essential services statewide. All other services are provided at the lowest level of government possible.
- * Duplication and fragmentation of services and destructive competition between units of government are minimized.
- * Incentives are in place that reward efficient use of financial resources; percentages of resources expended for administration are minimized; percentages of resources going into services for citizens are maximized.
- * Access to essential services is simplified and streamlined; "one-stop shopping" becomes the norm; services with similar customers, e.g. children and families, are delivered through the same channels.

As a follow up to our phone conversation of last week this is one example of how public education might be structured in the future. There are roughly 480,000 students in public schools in K - 12 now.

All funding would come from the State.

Local Boards of Education would be eliminated.

There would be 100 school districts of 4,800 students each.

Each district would have 1 Superintendent, who would be appointed by and responsible to the Director of the Iowa Department of Education.

There would be a maximum of 500 students per building.

Student teacher ratios would be 1 to 20 for grades K - 3 and 1 - 25 for grades 4 - 12.

Each building would have a principal or "building administrator" who would be responsible for the educational leadership of his or her building.

Salaries: (includes salary and benefits)

Superintendents (100)	\$100,000 @	10,000,000
Building Administrators (1000)	55,000 @	55,000,000
Teachers (20,676)	30,000 @	620,280,000
Councilors (1000)	35,000 @	35,000,000
Nurses (1000)	25,000 @	25,000,000
Cooks, Custodians, (6000)	20,000 @	120,000,000
Bus Drivers (3500)	6,000 @	21,000,000
	Total Personnel Costs	886,280,000

This is a very rough draft of an idea, please look it over and we will discuss it in more detail on Friday at 1:00 p.m.

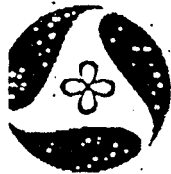
- * FOR EVERY \$3.60 HE CONFISCATES, IT COSTS IOWANS \$5.00 !
- * TAKES \$276M. PAID BY IOWA MOTORISTS AND GIVES IT TO OTHER STATES
- * DESTROYS \$350 M. IN IOWA ROAD CONSTRUCTION
- * KILLS POTENTIAL OF "AVENUE OF SAINTS"
- * CRIPPLES "TRANSPORTATION "2000" PLAN FOR MAJOR NETWORKS IN IOWA
- * RAISES LOCAL TAXES BY NEARLY \$200M.
- * THWARTS ROAD SAFETY EVEN THOUGH IOWA RANKED ABOVE NATIONAL AVERAGE IN 4 OF PAST 10 YEARS ON HIGHWAY FATALITIES.
- * DESTROYS IOWA'S MOST EFFECTIVE TOOL FOR ECONOMIC DEVELOPMENT

YEAR	FY '93	FY '94	FY '95	FY '96	TOTAL
(1) JOHNSON PLAN	150M	150M	\$30M	\$30M	\$360M
(*) (2) CORRECTED FIGURES	96.5	96.5	96.5	70.5	\$360M
(3) FEDERAL ROAD TAX PD. BY IOWANS LOST TO OTHER STATES (4)		(52)	(84)	(136)	(276)
(4) CITIES TAX	(19.3)	(19.3)	(19.3)	(19.3)	(77.2)
(5) COUNTY TAX	(30.4)	(30.4)	(30.4)	(30.4)	(121.6)
(6) INCOME & SALES TAX LOSS	(5.1)	(5.1)	(5.1)	(5.1)	(20.4)
(7) UNEMPLOYMENT FUND DEFICIT	(5.)				(5.0)
(8) TOTAL COST TO IOWANS					(500.2)

* * * * *

FOOTNOTE: (*)

	ACTUAL FY '91	ESTIMATED FY '92
(9) VEHICLES USE TAX GROSS	\$117.6M	\$122.0M
LESS: APPROPRIATED FUNDS:		
(10) LEAKY UNDERGROUND STORAGE TANKS	(12.9M)	(15.3M)
(11) MASS TRANSIT	(6.2M)	(6.2M)
(12) BIKE TRAILS	(1. M)	(1.0M)
(13) OTHER	(.3M)	(3.0M)
(14) TOTAL APPROP.	(20.1)	(25.5M)
(15) NET VEHICLE USE TAX	97.5M	96.5M



Iowa Department of Transportation

800 Lincoln Way, Ames, IA 50010

515/239-1242

October 4, 1991

David Fisher, Chair
Governor's Committee on Government Spending Reform
P.O. Box 1462
Des Moines, IA 50306

Dear Mr. Fisher:

State Auditor Richard D. Johnson recently submitted a plan to you for using the revenues from the use tax on vehicles to balance the General Fund budget in the short-term, and to create new budget and infrastructure programs in the longer term. The Transportation Commission would like to comment on some aspects of Mr. Johnson's plan.

First, Mr. Johnson's plan would not yield as much revenue as has been publicized. Second, comments indicating federal funds would be sufficient for Iowa's road building program are erroneous. In fact, removing the use tax from the road building program would result in losses of federal funds, further eroding our efforts to keep Iowa growing. We offer the following comments about these two points, and are enclosing three tables which provide detailed information.

The plan, and all of the press coverage of that plan, refers to \$150 million per year in vehicle use taxes now going to the Road Use Tax Fund (RUTF). More accurately, the total vehicle use tax collections for Fiscal Year (FY) 1991 were \$117.6 million.

- o From this total, \$12.9 million went to the Iowa Comprehensive Petroleum Underground Storage Tank Fund.
- o The remaining \$104.7 million was deposited in the RUTF. This amount is expected to grow slowly to about \$117.2 million by FY 1996.

Not all of this \$104.7 million is available to the highway programs of the cities, counties and the state. One-twentieth of the total vehicle use tax collections are appropriated to aid local governments through the Public Transit Assistance Fund. This totaled \$5.9 million in FY 1991. Under House File 173 (the FY 1991 budget balancer), these public transit funds are actually run through the General Fund in FY 1992 and FY 1993. This funding to public transit systems is key to helping local governments match federal aid for equipment rehabilitation and purchase.

David Fisher
October 4, 1991
Page 2

\$1 million is appropriated annually for the popular and successful recreational trails program and comes from the vehicle use tax portion of the RUTF. This program, which provides match funds for local governments and community groups and supports key local government efforts on trails, would be eliminated if the use tax were completely directed to other purposes. Some multi-year projects could be left without sufficient funding for completion, leading to a possible default on segments approved by the Transportation Commission.

Thus, the net amount of vehicle use tax revenue available for road purposes in FY 1991 was \$97.8 million.

Additional annual appropriations have reduced the level of vehicle use tax revenues for road purposes to approximately \$97.5 million for FY 1992. These appropriations are:

- o The Department of Public Safety's fingerprint information system.
- o Three National Guard armories.
- o A contingency fund for air and rail projects.

Using the 1992 level as an example and assuming the distribution formula would remain unchanged, the impact of the loss of these funds would be shared as follows:

Primary Road Fund	(47.5 %)	\$46,312,500
Farm-to-Market Road Fund	(8.0 %)	7,800,000
Secondary Road Funds of the Counties	(24.5 %)	23,887,500
Municipal Street Funds	(20.0 %)	19,500,000
		<hr/> \$97,500,000

The impact of Mr. Johnson's proposal can be seen more clearly through some comparative figures:

- o After administration and maintenance are funded, the total funds from all sources available to the Department of Transportation (DOT) to construct state-funded projects and to match federal funds would be \$45 million in FY 1992. By FY 1993 the Department would not have sufficient funds available to match expected federal aid. That deficit would grow to \$34 million by FY 1996, bringing a loss of \$136 million in federal aid for state primary highway projects alone.
- o Currently, the total construction program on Iowa's top priority network of commercial and industrial highways runs about \$150 million per year. The proposed shift in use taxes

David Fisher
October 4, 1991
Page 3

would require a substantial reduction in the very projects which yield the greatest benefit to the motoring public and to the economic vitality of Iowa.

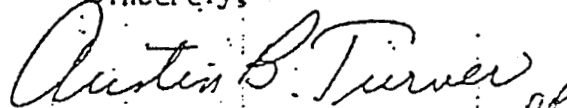
- o Construction funded from secondary road funds totaled \$38.6 million in FY 1990. The proposed reduction would result in the elimination of construction activities in most counties and would even cut into some counties' maintenance budgets.

Mr. Johnson proposes to establish a fund to meet the needs for improvement, expansion and maintenance of Iowa's public buildings. He estimated those needs at \$3.2 billion in the next 10 years. The construction needs alone on Iowa's streets and highways during this period will be \$14.1 billion, which is more than the current funding level will pay for. Needs of the commercial and industrial network account for \$2.3 billion of that total. Reducing the funding level to pay for other programs will only increase the backlog of road needs.

In conclusion, we oppose this diversion of vehicle use tax revenues away from the road programs that have been funded for many years. The impact on local road and street programs and on the expansion of the commercial and industrial network's capacity would be counterproductive. Considerable legislative attention and study has been directed to these road improvement projects over the past several years as funding levels and distribution formulas were debated. Priorities established by our General Assemblies are essential to the continuing efforts to support and expand Iowa's economy.

We urge the Governor's Committee on Government Spending Reform to examine the relative benefits and costs of all state programs, rather than focus on one block of money which appears available as a simple solution to a complex budget problem.

Sincerely,



Austin B. Turner, Chair
Transportation Commission

ABT:et

Enclosures

cc: State Transportation Commission
Darrel Rensink, Director

Attachment 2

Revised 10/4/91

Funding Assumptions Based on State and Federal Aid

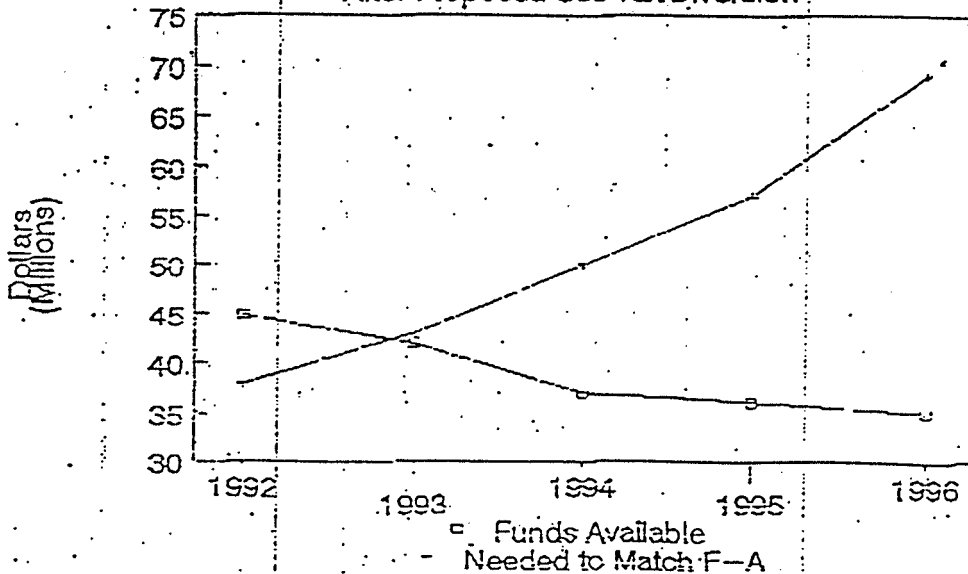
Anticipated Revenue 1992 - 1996

(\$ millions)

	1992	1993	1994	1995	1996
Anticipated federal-aid available	153	173	199	226	276
State funds required to match (Assumes 20% match ratio)	38	43	50	57	69
Total state funds available (Includes RISE)	337	343	347	356	364
Less state share of use tax (Johnson proposal)	(46)	(48)	(50)	(51)	(52)
Remaining state funds	291	295	297	305	312
Less state funds needed for Administration and Maintenance	(207)	(214)	(221)	(230)	(238)
Funds remaining for state projects & federal match	84	81	76	75	74
Less minimum level of state projects	(39)	(39)	(39)	(39)	(39)
Funds remaining for federal match and other state funded projects	45	42	37	36	35
Funds required for formula federal match *	38	43	50	57	69
Funds remaining for state projects or (shortfall)	7	(1)	(13)	(21)	(34)
Federal-Aid construction which cannot be completed due to shortfall in matching funds available	\$ 345 -	(5)	(65)	(105)	(170)
Cost federal-aid funds due to shortfall in matching funds available	\$ 276 -	(4)	(52)	(84)	(156)

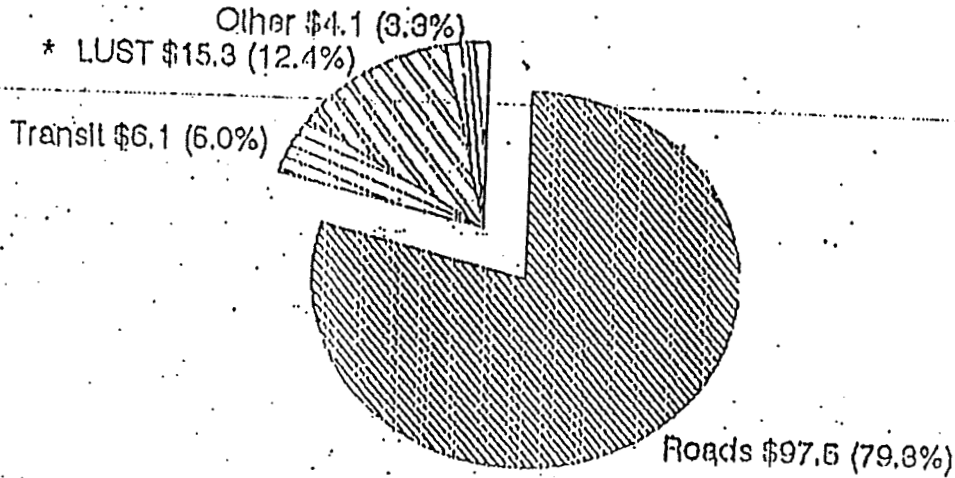
* Does not include match for any special federal-aid projects

Federal-Aid Match Shortfall After Proposed Use Tax Diversion

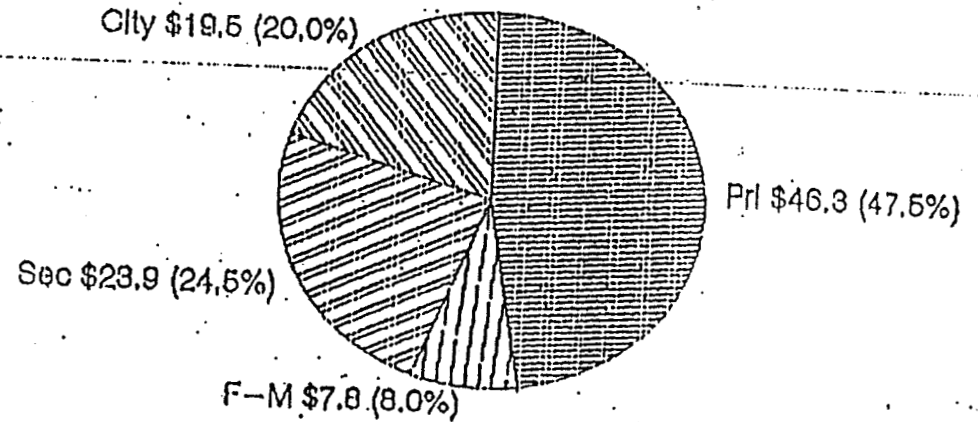


Vehicle Use Tax Funding for Roads

Vehicle Use Tax
FY 1992 Distribution (millions)



Vehicle Use Tax for Roads
FY 1992 Distribution (millions)



* Leaking Underground Storage Tanks

These charts show the total vehicle use tax collections anticipated in FY 1992, the various appropriations that are taken "off the top", and the funds remaining for roads. The funds available for roads are split among the primary road fund, the farm-to-market road fund, the secondary road funds of the counties, and the municipal street funds.

Attachment 3

10-Year Construction Needs
All Jurisdictions
(millions)

State	
Interstate	\$730
Commercial Industrial Network	2,310
Other Primary	2,812
Total State	5,852
County	5,331
City	2,844
County Parkways	8
State Parks & Institutions	57
Total Highway Needs	\$14,092

This table shows the total statewide highway construction needs for the period 1990 - 1999. Needs are calculated and published every four years by the Department of Transportation. The calculations are based on the current condition of all roads, streets and bridges and take into account the accumulated wear during the study period.

Financial Summaries

NOTE: Most current data..... Actual estimated estimated

STATE OF IOWA

\$117.6

\$122.0

\$124.6

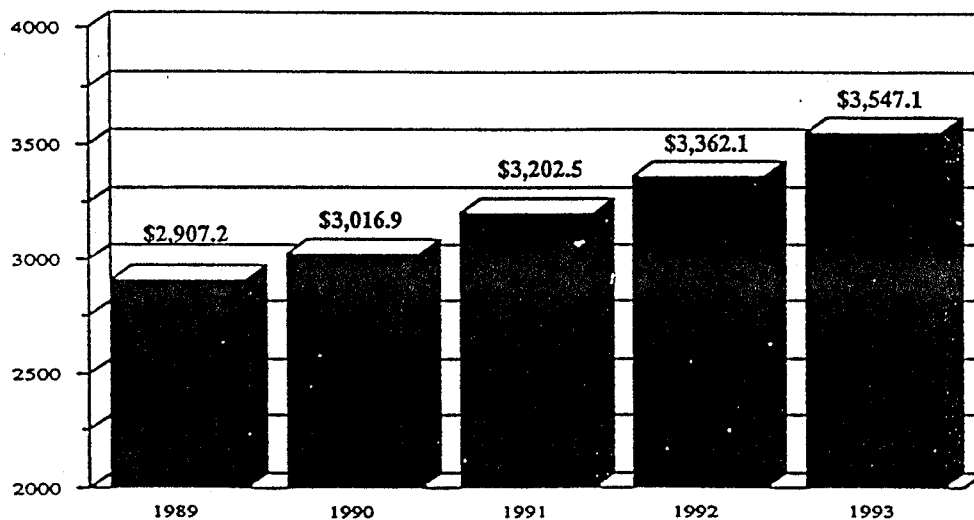
APPROPRIABLE RECEIPTS (IN MILLIONS)

SOURCE: OFFICIAL
IOWA BUDGET BOOK
DELIVERED BY GOVERNOR
JANUARY 15, 1991

	Actual FY 90	Estimated FY 91 Per Revenue Est Conference	Estimated FY 92 Per Revenue Est Conference	Estimated FY 93 Per Department of Management
Personal Income Tax	\$1,445.6	\$1,547.0	\$1,635.0	\$1,737.0
Sales Tax	728.5	772.0	810.0	851.9
Use Tax	114.3	124.0	129.0	138.0
Corporation Income Tax	230.7	238.0	247.0	258.0
Inheritance Tax	65.1	70.6	74.1	78.0
Insurance Premium Tax	87.0	91.5	95.0	100.0
Cigarette Tax	82.6	83.0	83.4	85.0
Tobacco Tax	2.6	3.0	2.8	2.9
Beer Tax	12.6	12.5	12.8	13.0
Liquor Tax	0.0	0.0	0.0	0.0
Franchise Tax	25.5	26.0	26.5	27.7
Miscellaneous Tax	0.6	0.1	0.1	0.1
Total Special Tax	\$2795.1	\$2,967.7	\$3,115.7	\$3,291.6
County Reimbursements	50.7	51.5	51.3	51.0
Liquor Transfers				
A. Profits	20.5	21.3	21.9	22.6
B. 7% Gross Revenues	9.0	9.0	9.0	9.0
Interest	14.0	10.8	10.8	11.2
Fees	12.0	18.0	18.2	18.7
Judicial Revenues	35.3	37.1	39.0	41.0
Third Party Pmts - Inst.	55.2	59.6	63.2	67.0
Miscellaneous Receipts	16.3	19.0	14.7	15.0
Racing and Gaming Rcts	8.8	8.5	18.3	20.0
Total Receipts	\$3,016.9	\$3,202.5	\$3,362.1	\$3,547.1

TOTAL GENERAL FUND RECEIPTS

Actual FY 89,90; Est. FY 91, 92, 93



REVENUE ESTIMATING CONFERENCE

16-Sep-91

	% Change			REC			% Change			REC		% Change	
	FY 90	FY 91	FY 90 vs. FY 91	FY 92 Estimate	FY 92 Est. vs. FY 91	Law Changes	Fund Reclass.	FY 92 Estimate	FY 92 Est. vs. FY 91	FY 93 Estimate	FY 93 Est. vs. FY 92	FY 90 Actual	FY 91 Actual
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>31-May-91</u>	<u>Actual</u>	<u>FY 1992</u>	<u>FY 1992</u>	<u>16-Sep-91</u>	<u>Actual</u>	<u>16-Sep-91</u>	<u>Estimate</u>		
Personal Income Tax	\$1,445.6	\$1,526.2	5.6	\$1,583.3	3.7	\$4.6		\$1,587.9	4.0	\$1,653.0	4.1		
Sales Tax	728.5	764.7	5.0	797.8	4.3	4.3		801.9	4.9	833.0	3.9		
State Tax	114.3	120.9	5.8	128.8	6.5			128.8	6.5	133.0	3.3		
Corporate Income Tax	230.7	239.4	3.8	242.8	1.4	1.3		244.1	2.0	250.0	2.4		
Estate Tax	65.1	69.0	6.0	72.1	4.5			72.1	4.5	76.0	5.4		
Insurance Premium Tax	87.0	92.3	6.1	95.0	2.9			95.0	2.9	98.0	3.2		
Cigarette Tax	82.6	83.5	1.1	83.4	-0.1	12.0		95.4	14.3	95.0	-0.4		
Tobacco Tax	2.6	3.1	19.2	2.8	-9.7	0.8		3.6	16.1	4.0	11.1		
Motor Tax	12.6	12.7	0.8	12.8	0.8			12.8	0.8	13.0	1.6		
Licenses Tax	25.5	25.0	-2.0	26.5	6.0			26.5	6.0	28.0	5.7		
Miscellaneous Tax	0.6	0.6	0.0	0.1	-83.3			0.1	-83.3	0.1	0.0		
Total Special Taxes	\$2,795.1	\$2,937.4	5.1	\$3,045.2	3.7	\$23.0	\$0.0	\$3,068.2	4.5	\$3,183.1	3.7		
County Reimbursements	50.7	46.3	-8.7	49.7	7.3			49.7	7.3	51.0	2.6		
Major Transfers													
Profits	20.5	21.6	5.4	21.9	1.4	0.3		22.2	2.8	22.5	1.4		
7% Gross Revenue	9.0	9.0	0.0	9.0	0.0			9.0	0.0	9.0	0.0		
Interest	14.0	11.8	-15.7	8.0	-32.2	9.0		17.0	44.1	16.0	-5.9		
Losses	12.0	16.7	39.2	17.6	5.4	11.5		29.1	74.3	31.0	6.5		
Official Revenue	35.3	35.7	1.1	38.0	6.4	6.5		44.5	24.6	46.5	4.5		
Third Party Payments	55.2	59.1	7.1	63.2	6.9			63.2	6.9	66.0	4.4		
Miscellaneous Receipts	16.4	14.3	-12.8	15.0	4.9	3.0	53.9	71.9	402.8	75.0	4.3		
Life-Mutual Receipts	8.8	7.2	-18.2	15.0	108.3	0.1		15.1	109.7	16.0	6.0		
Total Receipts	\$3,017.0	\$3,159.1	4.7	\$3,282.6	3.9	\$53.4	\$53.9	\$3,389.9	7.3	\$3,516.1	3.7		
Transfers	2.3	89.4						3.9					
Total Receipts & Transf.	\$3,019.3	\$3,248.5						\$3,393.8					

FRI./SAT./SUN., OCTOBER 4-6, 1991

THE NATION'S NEWSPAPER



USA TODAY

No. 1 IN THE USA . . . 6.6 MILLION READERS A DAY

'91 auto sales worst in a decade

By Micheline Maynard
USA TODAY

The U.S. auto industry would just as soon forget the 1991 model year.

Sales of cars and trucks in the USA fell 10% to 12.5 million vehicles in the 12 months that ended Sept. 30, the companies said Thursday.

That's the fewest in a decade, and the first time since '83 that sales fell below 13 million.

The recession, war in the Persian Gulf and car buyers' financial problems ganged up to clobber demand.

But Ford's F-series pickup remained the best-selling vehicle, a title held since 1982.

The F-series kept a slim lead — 431,353 to 409,704 — over the Honda Accord. Still, the Japanese model repeats as the best-selling car in the USA for the third model year in a row.

Carmakers are trying everything to jump-start the market. Chrysler, which announced a slim 1.4% price hike on 1992 cars and trucks before the model year began, trimmed the increase Thursday to 0.9%.

The ailing No. 3 carmaker also announced new rebates and loan rates as low as 4.9%, through year's end. Other makers have incentive plans, too.

Ford vice president Ross Roberts says he doubts sales of cars and trucks will jump soon.

Although he expects slow gains the next few months, "Our dealers are making more money, our sales are improving and we seem to think we're coming out of it," says Roberts.

► Japan gains, 1B

Questions to Consider in Performing Analyses

1. Are there constitutional problems with the idea?
2. Would there be a loss of matching funds (federal, private, etc...)?
3. Is the program mandatory according to the federal government?
4. If the state cuts spending, are there mandates such that local governments must assume the cost?
5. Are the other legal considerations involved (state code, local ordinances, contracts, etc...)?

**PUBLIC FINANCE TASKFORCE
SECOND EXECUTIVE COMMITTEE REPORT
October 22, 1991**

Summary of Opportunities Being Investigated

The Public Financing Task Force continues to investigate opportunities to reduce and reform spending in several major areas of state and local government, including education, human service, tax expenditures and local government finance. The total dollar scope assigned to the Task Force is approximately \$2.3 billion. The Task Force has been divided into four sub-Task Forces, each of which has been given specific areas of spending to review. The sub-Task Forces are:

* Education, which is reviewing K-12 education and higher education. The dollar scope of this group has been established as approximately \$1.5 billion, although additional State spending associated with higher education may be added.

* Human Services, which is reviewing major health and human services programs, including Medicaid, Foster Care/Juvenile Justice and Aid to Dependent Children. The dollar scope of this group has been established as approximately \$500 million.

* Funding Alternatives, which is looking at a set of issues including improved use of existing funds, standing unlimited appropriations, tax credits and tax deductions. In addition, this group is examining alternatives to the present relationship of state and local governments in financing various programs. The dollar scope of this group has been established at about \$260 million, although it is looking beyond the specific budget line items it has been specifically assigned. This group is, for instance, reviewing the Auditor's proposal to utilize part of the Use Tax on motor vehicle purchases to address the General Fund deficit.

* Government Finance Restructuring. This group has been established to develop a long-range government financing vision for Iowa. Its initial work has concentrated on "uncrossing" the funding streams in Iowa government by clarifying the roles state and local governments play in funding essential public services. The ideas developed by this group are being shared with the Statewide Service Delivery and Intergovernmental Affairs Task Forces. No dollar savings target has been assigned to this group; it is concentrating on long-term system reforms rather than immediate budget savings.

**PUBLIC FINANCING SUB-TASKFORCE
OPPORTUNITY INVENTORY
October 22, 1991**

Opportunity Description	Savings Range	General Fund	Non-General Fund	Realization Timing	Implementation Issues
HUMAN SERVICES					
Eliminate optional Medicaid Coverages for optional eligibles <i># of clients now covered approx to 10 years ago</i>	\$10m	\$10m		FY93	Loss of federal funds (\$20m) Loss of medical services (\$30m) Loss of provider income (\$30m) Cost shift to counties
Eliminate optional Medicaid coverages for mandated eligibles <i>5th party payers</i>	\$30m	\$30m		FY93	Loss of federal funds (\$60m) Loss of medical services (\$90m) Loss of provider income (\$90m) Cost shift to counties
Eliminate mandated Medicaid coverages for optional eligibles	\$20m	\$20m		FY93	Loss of federal funds (\$40m) Loss of medical services (\$60m) Loss of provider income (\$60m) Cost shift to counties
Decategorize Foster Care services statewide	\$ 7m	\$ 7m		FY94	Expand from pilot project Involvement of varied interests Lead time involved to implement

Adopt Managed Care/
HMO contracts
statewide for
Medicaid

\$ 10m

\$ 10m

FY94

Lack of infrastructure in
rural Iowa
Need to negotiate rates

Reduce use of
institutional/group
homes for Foster Care
and change program mix

\$ 5m

\$ 5m

FY94

System must become flexible
More F.C. families needed
One institution surplus?

EDUCATION

Permanently establish the
savings from 3.25% ATB and
limit spending by same

\$ 37m

\$ 37m

FY93

State and district costs per
pupil will be reduced - no
property tax increase

Increase student/teacher
ratio from 15.5 to 20.5
and reallocate teacher
incentives

\$ 101m

\$101m

?

Gross savings of \$221m. \$120m
would be used to continue and
expand incentives for teachers
\$101m savings to state G.F.
Adds incentives for school district
sharing and consolidation

Reduction of selected programs
administered by the
Iowa College Student Aid
Commission by 10%

\$ 4m

\$ 4m

FY93

Impact on number of students
receiving aid to attend
private and other colleges

Review Community Colleges
revenues and expenditures for
changes resulting in a reduced
state general fund aid

\$ 10m

\$ 10m

FY93

To be determined

*Families - Families
on CB5*

ALTERNATIVE FUNDING

Comprehensive revision of state/local financing efforts	\$0 - 228m	\$0 - 228m	FY93	Provide Opportunities for local governments to acheive expenditure reduction through improved service delivery Review state mandated programs to identify opportunities for reductions in local expenditures Examine alternatives to enhance local revenues as a replacement for reduced state expenditures
Redirect Motor Vehicle Use Tax revenues to State General Fund	\$48 - 125m	\$48 - 125m	FY93	Affects state and local govts. financing of road repair and construction May affect match of available federal funds
Estimate GAAP deficit using future GAAP standards	\$182m	\$182m	FY93	Improves state's financial reporting Eliminates unwarranted reductions
Examine revenue foregone as a result of statutory tax expenditures				

PUBLIC FINANCE TASKFORCE
Human Services Sub-taskforce
Additional Opportunities
October 22, 1991

1. Review the concept of medical procedure priority setting (Oregon).
2. Work for reduced Federal mandates in Medicaid.
3. Work for national health care system reform.
4. Develop a "one stop" family services delivery system.
5. Continue to change Foster Care services mix toward in-home.
6. Expand welfare to work incentives (jobs programs).
7. Improve automated support systems for human services programs.
8. Change state role from direct service provider to "wholesaler".
9. Review approval/appeals process for service provider classification.



Glen

DEPARTMENT OF REVENUE AND FINANCE
GERALD D. BAIR, DIRECTOR

November 12, 1991

TO: Public Financing Task Force Members
Robert Rigler Pat Cavanaugh
Marvin Selden Dick Hahn
Glen Erickson Kay Chapman
Dick Christie Mike McCarville
Tom Gould Mike Fitzgerald
William Lepley

Dear Task Force Members:

Enclosed are the notes and handouts from our November 8, 1991 meeting.

The next, and final, meeting of the Public Financing Task Force will be next Wednesday, November 20 at 10:00 a.m. at the new Historical Building, Classroom B, at 600 East Locust Street. This meeting is extremely important and will last approximately 2 hours. I hope that everyone can be there.

Sincerely,

G. D. Bair, Co-Chair
Public Financing Task Force

GDB/bm

cc: Staff - Dave Plazak
Rich Jacobs
Ron Amosson
Chris Van Meter

PUBLIC FINANCING TASK FORCE MEETING
NOVEMBER 8, 1991
NOTES

Present: Gerry Bair, Co-chair, Bob Rigler, Co-Chair, Marv Selden, Dick Hahn, Glen Erickson, Ton Gould, Mike Fitzgerald, Kay Chapman, Pat Cavanaugh, Anita Mandelbaum, Lee Tack, for Bill Lepley

Staff: Ron Amosson, Dave Plazak, Chris Van Meter, Bonnie Mackin

Not Present: Dick Christie, Mike McCarville, Rich Jacobs

Gerry Bair opened the meeting by informing the Task Force that all proposals must be finalized by November 20, which is the date of the next and final meeting of the Public Financing Task Force. It was also stated that some Sub-Task Forces may be called back for meetings or discussions. All recommendations will be prioritized by the Task Force as a whole. In addition, all ideas (including those not being recommended by the Task Force) will be submitted to the Governor's Spending Reform Committee for their review.

The Public Financing Task Force Report of November 7 (Attachment A) was distributed and discussed.

Education Sub-Task Force

Tom Gould distributed a review of the education sub-task force dated October 30 (Attachment 1) and updated the group on the work of the education sub-task force. He stated that the student/teacher ratio is the driving factor of this sub-committee, as 70% of the education budget is in teachers. Other opportunities being looked at are the allowable growth formula, eliminating phantom students, reducing the number of school districts from 425 to 250 and eliminating Phase III.

It was felt that the recommendations could be implemented within three years. He also stated that there would be no incentives until the program is fully implemented. Allowable growth reflects resources and the student/teacher ratio is created as a intricate part of the formula.

Marv Selden distributed (Attachment 2) and discussed his education proposal for 1991/92 - 1994/95.

Dick Hahn distributed a graph on increases from FY88-92 of state appropriations for education. (Attachment 3).

The plan discussed for 92-93 included:

	Savings:
All phantom students gone	\$20 million
3.25 rollback is permanent	\$37 million
Phase III is out (comes back in under new program- incentives to be paid from savings)	\$42 million

Questions to be answered by sub-task force:

1. List 92-93 (and out) allowable growth
Where do we want to be 4 years from now?
2. Ramifications each year
3. How to spend incentives
4. What are basic costs imbedded in consolidation?

Specific recommendations from the education sub-task force will be out by Thursday of next week.

AEA's - The Department of Education has recommended to reduce the number of AEA's. Discussion included eliminating from larger districts and retaining for smaller districts. The sub-task force will give a recommendation on AEA's.

Iowa College Aid Commission - The sub-task force recommends a 10% across the board reduction. The Commission would not provide their priorities and only provided some very basic information. Gerry Bair will contact Gary Nichols.

Community Colleges - It was stated that enrollment has declined 12% in the last five years. Chris Van Meter highlighted opportunities the Intergovernmental Relations (IGR) Task Force is looking at regarding community colleges (IGR Report will be mail to everyone as soon as it is received from IGR), as IGR is looking at some of the same opportunities as this Task Force. Formula was discussed and it was stated that the formula is based on "contact hours". It was noted that the number of students in community colleges is decreasing but the number of "contact hours" are increasing. The sub-task force will be looking at a move to "credit hours" rather than "contact hours". It was also noted that funding is based on square footage of the facility. This will also be looked at. It was discussed that this sub-task force needs to meet with IGR task force. Staff was also asked to find out the number of students at the State Universities and Community Colleges.

Regents - The sub-task force recommends a minimum 10% cut. There needs to be a change in Regents government to make then the same as other state agencies.

Human Services Sub-Task Force

Pat Cavanaugh discussed the Human Services section of Attachment 1. Recommendations of the sub-task force include:

1. Adopt managed care statewide for Medicaid.
2. Eliminate miscellaneous foster care coverages
3. Adopt a mental health funding formula
4. Provider funds - operational in 38 other states. Provider money is used to get federal funds. \$10-15 million in state funds could be offset but is a risky idea. Federal views this as a loophole. Sub-task force will be working further on this idea.
5. Decategorization of foster care statewide. This idea is being reworked by the Department of Human Services
6. Eliminate optional medicaid eligibility categories.
7. Eliminate Gambler's Assistance Program

Funding Alternatives Sub-Task Force

Gerry Bair discussed options for redirecting the motor vehicle use tax to the general fund (Attachment 4).

Chris Van Meter told of IGR recommendations in this area which include:

- 1) County administration collaboration, which would save \$27-34 million in salaries. Glen Erickson recommended that county nursing homes and hospitals be taken out of this recommendation.
- 2) Currently 110 assessing jurisdictions. Recommendation is to regionalize to 19 regional jurisdictions, which would eliminate 30 county assessors, 11 city assessors and 110 office staff and saves \$2.8 million.

Gerry Bair discussed property exempt from property tax (Attachment 5). Exempt entities would make payment in lieu of tax for fire, police, etc.

Long Term Recommendations

- 1) One bank (investment pool) - This recommendation was contested by the task force. It was felt it would not help the cash flow.
- 2) Statewide budget.

The next and final meeting of the Task Force will be Wednesday, November 20 at 10:00 a.m.

**PUBLIC FINANCING TASK FORCE
STATUS REPORT: NOVEMBER 7, 1991**

Task Force Status

The Public Financing Task Force is organized into sub-groups which are reviewing the broad subject areas of education, human services and alternative financing. These sub-groups are now in the process of refining analyses of the opportunities they have identified.

This status report presents the sub-group's work in draft form. Several proposals are in need of revision prior to presentation. These analyses will be discussed in detail at the next Public Financing Task Force meeting on November 8.

Opportunities Being Evaluated

In education, the opportunities being considered involve revising state funding of K-12 education, area education agencies, community colleges and the Regent's universities.

Human services opportunities involve the changes in the Medicaid program, mental health funding provided to the counties for property tax relief, and the foster care program.

In the Alternative Funding area two major proposals are being evaluated. One would involve reallocating part of the Motor Vehicle Use Tax from the Road Use Tax Fund to the State General Fund. The other proposal involves examining tax credits and exemptions being funded by the state which benefit local governments and taxpayers. Several possible offsetting savings, including a possible levy some tax exempt property, are being evaluated.

K-12 Schools

Background/Description

Iowa's school aid formula is primarily "pupil driven," i.e., a school's enrollment is multiplied by a cost per pupil to determine the district's budget. The budget is financed by state aid, property taxes, and other miscellaneous sources of revenue.

Over the past 20 years, public school enrollments have declined by about 25%. In the past, the formula has been designed to help mitigate the effects of declining enrollment on school budgets. That is, while the number of students has generally declined, they have in part been replaced by so-called "phantom" students in order to cushion the shock to school budgets.

Opportunities

As a result, expenditures per pupil have increased over the past 20 years. The average pupil/teacher ratio was 20.2:1 in 1972; today it is about 15.5:1. Iowa's average pupil/teacher ratio is substantially lower than the national average.

Over the next two to three years, the ways in which to increase the pupil/teacher ratio and incorporate such increases into the funding formula should be studied. The study would include the manner in which to reinvest a portion of the savings to increase teacher salaries through an incentive program. Phase III would be included in this incentive program.

Analysis/Savings

Estimated savings are based upon the latest available information, which is subject to change. The savings are also estimated based upon all of the items being enacted. If only a portion are enacted, the savings may be substantially different for any of the items, because of the interaction of the various components of the school aid formula.

1. The regular program and special ed support program have budget guarantees which ensure that schools would generate regular program and special ed support budgets in FY93 that were at least equal to 100% of their FY92 budgets. Elimination of these guarantees would save about \$0.6 million in FY93. However, if FY93 costs are to be reduced, these provisions must be eliminated in order to ensure that potential reductions are not recaptured by schools through the operation of the guarantee.
2. The state aid savings from the FY92 across-the-board reduction was about \$37 million. The state aid savings from the reduction should be made permanent by a reduction in per pupil costs; and the formula should be modified so that the savings cannot be replaced with property taxes.
3. The allowable growth percentage for FY93 is just over 4%. The allowable growth percentage is established by formula, but can be changed by legislative action. Each percentage point reduction would save about \$15 million in state aid and about \$3 million in property taxes. If allowable growth for FY93 were set at 0%, the state aid savings would be about \$62 million.
4. Phantom students will generate around \$20 million in state aid in FY93. If the current formula is retained, and if enrollments were to become stable over the next 5 years, phantom students would disappear from the system. Complete elimination of them

in FY93 would save around \$20 million in state aid. Savings would be proportionately less if the elimination were to occur over a period of years.

5. School budgets are based upon student headcounts for the year prior to the budget year. If the headcount during the budget year is more than the budget enrollment estimated for that year, however, a school is entitled to an advance payment during that budget year. In FY92, the advance payment will be over \$15 million. Since headcounts for the FY93 school year are not known, the amount of savings from elimination of this program in FY93 is not known.

6. Supplemental weightings provide incentives for schools to do such things as share teachers, classes, and superintendents. Complete elimination of these incentives for FY93 would save about \$17.5 million in state aid and \$3.5 million in property taxes. Savings would be proportionately less if the elimination were to occur over a period of years. The current formula provides for a gradual phaseout of many of the supplemental weightings.

7. Some AEAs and schools have costs per pupil which are above the state average. If all per pupil costs were reduced to the state cost, about \$13 million in property taxes would be saved. There would be no state aid savings.

REGENTS

The institutions within the State Board of Regents have been directed by the Board to conduct an internal review of the Regent's Strategic Plan which was adopted two years ago. The purpose of the review is to identify areas of strength upon which to build. This review may also identify potential areas for cost cutting and efficiency enhancements. The education sub task force of the public finance task force has asked the Regents to meet next week and discuss the potential opportunities for savings. The task force will also make a formal request that the Regents be required to make a complete report to the Governor's Spending Reform Committee upon completion of the Strategic Plan review.

IOWA COLLEGE AID COMMISSION

The Iowa College Aid Commission administers a variety of programs which provide various forms of financial assistance to college students. One of these programs is the Iowa Tuition Grant program. This program was originally designed to assist students in private four-year Iowa colleges. The program has expanded beyond its original intent and now provides assistance to over 1,700 students in two year colleges and special schools. Eliminating the programs for the two year colleges and special schools would reduce the cost of the program by approximately \$3.5 million. Additional potential opportunities for cost reductions in the College Aid Commission may still be identified.

COMMUNITY COLLEGES

The 15 community colleges in Iowa constitute a state-wide system of public two-year postsecondary educational institutions. Each college serves a multi-county merged area and all counties in the state are now included in one of these merged areas. State financial support for the community colleges is determined by the application of a foundation formula that produces dollar support levels for the various instructional and service functions of the respective colleges. These support levels are adjusted each year for inflation. The adjusted support levels are then multiplied by the average of three prior years of student instructional contact hours. This application of the foundation formula to student contact hours provides the basis for state funding each fiscal year. Local tax dollars are then subtracted from the formula determined state funding to produce an overall state and local support that ostensibly provides 65% of the actual costs of college preparation.

The community college formula appears to have a number of flaws which produce results that are inconsistent with each

of the colleges and inconsistent with the original intent of the formula. The Public Finance task force and the Inter-governmental task force are each working on the community colleges and recommended changes will come jointly from the two task forces.

HUMAN SERVICES OPPORTUNITY RECAP

Revised 11-07-91

	State Savings (In Millions)	
	FY 1993	FY 1994
OPPORTUNITY		
Adopt managed care statewide for Medicaid	\$0.3	\$0.7
Adopt a mental health funding formula	\$20.1	\$22.1
Eliminate Gambler's Assistance Program	\$0.4	\$0.4
Cut misc. foster care services	\$3.8	\$3.8
Decategorize foster care statewide**	TBE	TBE
Use provider funds to leverage Medicaid*	TBE	TBE
Cut optional Medicaid eligibility categories	\$30.0	\$30.0
Cut optional Medicaid services for mandatory eligibility categories	\$15.0	\$15.0
 Total	 \$69.6	 \$72.0

TBE= Savings being re-estimated.

* Proposal being developed.

** Original proposal being revised with gradual phase-in.

Human Services Sub Task Force Base: \$502.0
 10% Reduction= \$50.2
 20% Reduction= \$100.4
 40% Reduction= \$200.8

Adopt Managed Care Statewide for Medicaid

Managed care is a health care cost containment strategy. Usually, Medicaid clients select the health care provider they use and the program reimburses the provider for services. Under managed care, Medicaid patients are assigned to either a physician or a Health Maintenance Organization (HMO). The manager's role is to act as a control on the patient's use of health care services and procedures.

Managed care has been found to be a moderately effective form of Medicaid cost containment. Iowa has piloted a managed care system in several metropolitan areas where HMOs are operational.

The FY 1993 Department of Human Services budget request indicates that enrolling 27,000 additional clients in managed care would reduce state Medicaid expenditures by \$325,000 to \$725,000 over the next two years. This represents about one tenth of the Medicaid eligible population and about a two percent cost saving for this group.

It is not likely that all Medicaid clients in Iowa can ever be enrolled in managed care programs. This is because the availability of health care options and HMOs is limited outside the metropolitan areas of Iowa. The Department of Human Services estimates that a total of 134,000 Medicaid clients could be enrolled in managed care. About 46,000 are enrolled now.

Proposal

Enroll 134,000 Medicaid eligibles in Iowa in a managed care program.

Impacts

- * Assuming that 88,000 new persons can be enrolled, the state cost savings would be approximately \$1.7 million per year. This amount cannot be realized quickly, however.
- * Patient choice will be limited when compared with the current program.

Timing

Since managed care agreements must be negotiated with providers, this proposal would take several years to implement. The majority of savings would not be available in FY 1993. Approximately \$325,000 could be saved in FY 1993 and \$725,000 in FY 1994. The full \$1.7 million could be saved over a five year period.

Eliminate Miscellaneous Foster Care Coverages

Under the Iowa foster care program, several types of care beyond "traditional" foster care services are now possible.

Approximately \$3.3 million is expended to provide for foster care and shelter care for what are legally adults--youth ages 18-21. About 150 young adults were cared for in this manner in FY 1991. A less structured, transitional environment such as that provided through the Independent Living program would be less expensive and more effective in encouraging the independence of these individuals.↗

Under the Iowa foster care program, it is possible for parents to voluntarily place their children in a foster home to help sort out difficulties in the home. There is no time limit on such placements at present. A time limit of 30 days would save an estimated \$473,000. About 170 children would be effected by this time limit. [Approximately 65 of these are mentally retarded or severely mentally retarded.]

Proposal

- * Eliminate payment to group homes and shelters for foster care services for clients over age 18.
- * Limit voluntary placements in foster care to no more than 30 days.

Impacts

- * Savings of approximately \$3.8 million in state general funds in FY 1993.
- * No loss of federal matching funds.
- * Estimated \$600,000 cost shift to counties for care of mentally retarded young adults (DHS estimate).
- * Impacts approximately 320 foster care clients, although some would still be eligible either for Independent Living, limited voluntary foster care or other human services programs.

Timing

- * Requires legislation to become effective for FY 1993.

Adopt A Mental Health Funding Formula

Background

Funding for mental health activities in Iowa has traditionally been the responsibility of the counties. In recent years, mental health costs borne by the counties (including costs for mental retardation developmental disabilities) and have increased rapidly. These costs are financed through county property taxes. During a recent session of the General Assembly, a provision was enacted that requires the State to assume responsibility for funding all cost increases for county mental health activities. This was intended as a means of property tax relief. Unless a funding formula is adopted in the next legislative session, this provision will become effective in FY 1993.

Proposal

Adopt a formula that funds county mental health activities at the FY 1992 level, with no provisions for increases in FY 1993 and beyond. The FY 1992 appropriation for this purpose was to have been \$10.7 million, although the actual funds provided to counties for mental health programs were less than this due to cuts in other programs. These cuts were used to fund higher costs of operation at DHS institutions. The approximate actual amount of new funds going to the counties--less offsetting program cuts--was about \$6 million.

Along with a cut in state funds to counties must come a loosening of state mandates and requirements. Many of these were put in place at the time the property tax relief plan was passed.

Impacts

- * Savings to the General Fund of \$20.1 million in FY 1993--this is the anticipated increase in county mental health costs for FY 1993 over FY 1992.
- * State funding of county mental health activities would continue at \$10.7 million per year.
- * Costs for county mental health services are expected to increase by at least 10% per year for the foreseeable future, so state savings from this proposal will be continuous and would increase dramatically each year beyond FY 1993.
- * No loss in Federal matching funds.
- * Property tax levies in counties would need to be higher than would be the case if the state covered all cost increases. However, no actual decrease in state aid would occur. Counties would be "held harmless" at the FY 1992 level of aid.
- * No impact on client services if counties fund increased costs.

Timing

- * Will require legislation in the upcoming legislative session to appropriate funds and provide for a distribution formula.
- * Savings could be realized in FY 1993 and subsequent years.

Related Issues

A growing portion of county mental health costs is for patients in intermediate care facilities (ICF/MRs). Daily patient costs for ICF/MRs in Iowa (an average of \$176) are much higher than those for comparable facilities in Illinois (\$84), Minnesota (\$88) and Wisconsin (\$116). Unlike in Iowa, the state bears the full cost for these patients and there may be greater incentives for cost containment. The state of Iowa should take action to contain these costs even if they continue to be borne by the counties.

Eliminate the Gambler's Assistance Program

Most Iowa Department of Human Services programs serve large client groups and involve federal matching funds. The Gambler's Assistance program (\$390,000) is a state funds-only program that provides assistance and counseling to persons who have experienced gambling losses. Only 362 persons were served in FY 1991. The program may be duplicated to some extent by Gambler's Anonymous and other non-profit organizations already in place prior to the existence of this program.

Proposal

- * Eliminate the above program.

Impacts

- * Savings of \$390,000 in FY 1993 and each year thereafter.
- * No loss of federal matching funds.

Timing

- * Legislation required in the next session to eliminate this activity by FY 1993.

Cut Optional Medicaid Eligibility Categories

The Medicaid program is a joint federal-state health care program that finances medical services for the poor. Medicaid costs have risen rapidly in recent years, partly as a result of new persons being made eligible for the program. In FY 1981, 221,133 persons in Iowa were eligible for Medicaid; by FY 1991, this figure had risen to 277,371, an increase of 25 percent.

Although the federal government mandates state coverage for most Medicaid participants, Iowa has chosen to add coverage for certain optional groups. These include "the 300 percent group", who are 10,600 residents of nursing homes with incomes up to 300 percent of the federal poverty level; and the "Medically Needy", 14,355 persons who have incomes above the federal poverty level, but large medical care expenses. Under the federal Medicaid program, state expenditures for these optional eligibility groups are matched at about a two to one ratio just like the mandatory parts of the program.

State expenditures for costs related to optional Medicaid eligibility groups are estimated to be approximately \$33 million in FY 1993.

Proposal

Cut all optional Medicaid eligibility categories.

Impacts

- * A savings of \$33 million in FY 1993 and beyond.
- * Loss of approximately \$60 million in federal Medicaid matching dollars.
- * Loss of Medicaid coverage for more than 25,000 persons.
- * Loss of up to \$93 million in medical services and income to medical providers.
- * Some shift in medical costs to third parties, e.g. counties.

Note

This proposal will not likely be recommended due to magnitude of impacts plus loss of federal aid.

Cut Optional Medicaid Services for Mandatory Eligibility Categories

The majority of all Medicaid participants in Iowa are included in groups whose participation is mandated by the federal government. This includes certain recipients of federal and state income assistance, and pregnant women, infants and children in impoverished families. Most of the health care coverages provided to these groups are mandated by the federal government. However about \$29.5 million in state funds will be spent in FY 1993 on services that Iowa has chosen to add to the program. These optional services are shown on the attached page. Iowa has one of the broadest packages optional services among the states.

Proposal

Cut all optional Medicaid services for mandatory eligibility categories.

Impacts

- * Although nearly \$30 million in state funds will be expended in FY 1993 for optional services, eliminating these services will not save \$30 in state costs. This is because Medicaid recipients will choose alternative services that are still on the covered list. For example, if chiropractors are not covered, patients will seek treatment from physicians, who are covered. It is estimated that about \$15 million could be saved once shifting is accounted for.
- * Loss of about \$23 million in federal matching funds, accounting for service shifts occur.
- * Since counties are responsible for medical aid to the indigent under Code of Iowa Chapter 252, they would become liable for a portion of \$38 million in medical care costs no longer covered by federal or state funds. Optional services involving mental health, equipment and supplies, vision, dental, ambulance services and prescribed drugs would be the most likely to be shifted to the counties. These make up the majority of the optional services.
- * Loss of medical services and provider income less than \$38 million.
- * Some shifts of medical care costs to other third parties.

Note

This proposal will not likely be recommended due to the magnitude of impacts plus loss of federal aid.

OPTIONAL MEDICAID SERVICES AVAILABLE IN IDWA

Clinic Services
Maternal Health Centers
Durable Medical Equipment and Supplies
Rehabilitation Agencies
Physical Therapists
Dental
Optometric
Podiatric
Psychologists
Ambulance
Mental Health Centers
Birthing Centers
Prescribed Drugs

Other Long-Range Human Services Opportunities

1. Seek Health Care System Reforms

Virtually all experts agree that the US health care system is broken and needs to be fixed. Costs are out of control and a large number of poor people are uninsured and lack access to basic health care. The system is in need of complete reform. However, most observers believe that reform is several years away. Iowa should consider an intermediate alternative to national health care reform, e.g. a plan similar to that developed and proposed by the State of Oregon. The Oregon explicitly rations medical care but also extends health care coverage to all citizens of that state. It is a system reform proposal rather than a way for the state to save money.

Iowa should also work for simplification of the federal medicaid programs. The recent explosive growth in state Medicaid costs is largely due to new eligibilites mandated by the federal government since 1985. Iowa should continue to oppose new program mandates or the conversion of optional coverages to mandates.

Strategy: Complete a thorough review of the Iowa health care system, giving consideration to reforms such as Oregon is proposing to adopt.

2. Make Human Services Service Delivery Improvements

The current system of delivering human services in Iowa is overly complex, both in terms of actual programs and funding streams. The delivery system needs to be redesigned from the client up. Service delivery should be based on client needs, not funding categories. "One stop" service centers should be established and services with similar customer groups integrated and delivered at the same location. Technology should be utilized to improve customer service and improve administrative efficiency. Red tape should be cut and programs decategorized to the extent possible.

Human services are best delivered "close to the customer" by local or regional public or private providers. The role of the state should be to serve as a "wholesaler", promoting improved local services, as opposed to being a direct provider of human services. Along with funding for human services programs should come the accountability for getting the job done. Local and regional providers need to be held accountable for results.

An improved and streamlined human services delivery system should require significantly less administrative overhead than the present system due to reduced layering and program simplification.

Strategy: Develop an integrated human services delivery plan that redesigns and simplifies the current system.

Redirect the Motor Vehicle Use Tax to the General Fund

The Motor Vehicle Use Tax is made up by revenues generated through four percent tax levied on the purchase of new motor vehicles used in Iowa. It is the equivalent of a sales tax, but also covers new vehicles purchased outside of Iowa but brought into Iowa for use. Motor vehicle use tax revenues were approximately \$124 million in FY 1992. Approximately \$97.5 million of that is transferred into the Road Use Tax Fund for use by state, county and city highway agencies. The remainder funds the Underground Storage Tank fund, state public transit program and other transportation-related programs.

Iowa is one of the few states that allocates a use tax or similar tax to its road fund. Unlike fuel taxes and vehicle registration fees, the Use Tax is not considered to be constitutionally dedicated for highway purposes in Iowa.

Proposal

Reallocate a portion of the Use Tax to the State General Fund, subject to limitations described below. In each case, revenues reallocated from the Use Tax would be used either to retire the State's GAAP budget deficit, build an Emergency Reserve Fund and to improve Iowa's physical infrastructure.

Option A

Reallocate \$97.5 million of the Use Tax for two fiscal years (a total of \$195 million) to retire the GAAP deficit and to start building an emergency fund equivalent to 3-5% of the General Fund (about \$100-\$150 million). After two years, use the \$97.5 million to 1) continue to build the Emergency Reserve Fund, and 2) address the needs for Iowa's "vertical infrastructure", e.g. public buildings.

Option B

Reallocate \$50 million of the Use Tax for three fiscal years to retire the GAAP deficit. After the GAAP deficit is retired, build the Emergency Reserve Fund for the next two fiscal years. Then either return the Use Tax revenue stream to the Road Use Tax Fund or use the funds to address needs for vertical infrastructure.

Option C

Reallocate \$32 million in Use Tax in FY 1992, \$64 million in FY 1993 and \$97.5 million per year thereafter. Divide the reallocated funds 50 percent for GAAP deficit reduction 50 percent for the reserve fund FY 1992-1994 (three years). After that, continue to build the emergency fund so it reaches 3-5% of the size of the General Fund. Then allocate 100 percent of the funds to a vertical infrastructure fund or the Road Use Tax Fund.

Impacts

Impacts vary from option to option. In general:

*The GAAP deficit (estimated based on "future GAAP") is eliminated.

*An Emergency Reserve Fund is created and fully funded.

*Funding for state highways, county roads and city streets may be reduced.

*Some losses in federal highway aid may occur. This impact is being estimated. Losses would be highest under Option A and lowest under Option B.

*Losses in federal funds could be mitigated by: 1) delaying or deferring 100% state-funded projects; 2) targeting state dollars toward federal projects with the highest federal participation ratios, or 3) Utilizing funds now going for operations or Public Transit to help match federal highway aid.

Property Exempt from Property Tax

Issue:

Under state law local property tax is levied against real property. There are, however, a variety of exemptions granted to property based on ownership or use of the property. The assessment and placement of a charge or property tax on currently exempt property may provide a revenue source for local governments.

Background:

- * In 1990, total market value of real property was \$83 billion.
- * By definition, tangible and intangible personal property is exempt.

Estimated Impact:

A portion of property exempt from taxation is assessed and reported annually to the state. The reporting is subject to major limitations when used as a basis for determining the potential fiscal impact of imposing a tax on such property.

- First, major classes of property are not assessed. These include Government property, including local schools, as well as all intangible and tangible personal property.
- Second, due to the exempt status of the property the level of accuracy involved in the assessment varies throughout the state.
- Third, due to the special nature of various property such as churches and facilities used for entertainment, accurate assessments of the market value may be difficult.

Data compiled from 1990 assessments indicated total assessments of exempt property exceed 6.3 billion.

Revenue Potential for Local Government

Levying a rate of \$4.57 or \$2.81 per thousand for basic city and county services, including police and fire protection, would result in a revenue potential of \$28,791,000 or \$17,703,000. The two levy rates and revenue figures are based on property tax collections and total budgets for basic services.

ESTIMATED DISTRIBUTION OF LOCAL ASSISTANCE TO
LOCAL GOVERNMENTS IN FY 1993
(\$ IN MILLIONS)

<u>Programs</u>	<u>Total</u>	<u>Counties</u>	<u>Cities</u>	<u>Schools</u>	<u>Other</u>
<u>INDIRECT TO TAXPAYERS</u>					
Franchise	\$ 9.4	\$ 3.8	\$ 5.6		
Property Replacement	\$ 67.7	\$ 20.3	\$ 45.8		\$ 1.6
	\$ 77.1	\$ 24.1	\$ 51.4		\$ 1.6

DIRECT TO TAXPAYERS

Homestead	\$106.0	\$21.8	\$33.2	\$45.8	\$ 5.2
Ag. Land	\$ 43.5	\$15.8	\$.1	\$24.3	\$ 3.3
Elderly	\$ 11.5	\$ 2.4	\$ 3.6	\$ 5.0	\$.6
Military	\$ 3.0	\$.6	\$.9	\$ 1.3	\$.1
	\$164.0	\$40.6	\$37.8	\$76.4	\$ 9.2
Total Local Funding	\$241.1	\$64.7	\$89.2	\$76.4	\$10.8

**EDUCATION SUB-TASK FORCE
REVIEW AND UPDATE**

Wednesday, October 30, 1991

MEMBERS PRESENT

Dick Christie
Tom Gould
Dick Hahn
Marv Selden

OTHERS PRESENT

Lowell Dauenbaugh
Harriett Gustafson
Jay Marshall
John McDonald
Gary Meyer
Rick Phillips
Lee Tack
Chris Van Meter
Bob Yeager

K-12 REVIEW AND UPDATE

- o After further review and analysis, it is has been concluded by the majority of the committee that the student/teacher ratio is the formula that works best to improve productivity and efficiency in the system, reduce cost, and at the same time provide the additional funding as a result of the savings to be re-invested in incentives for achieving for Iowa a World Class Education System. It is further recommended that this be phased in over a three year period, and that during the phase-in there be no increase in funding for K-12.
- o As we look at the savings of the student/teacher ratio, it would be between \$180 to \$220 million. After reinvesting \$120 in incentives, we would realize a net savings of \$60 to \$100 million.
- o By eliminating the Phase III Program and making it a part of the incentive program, we would realize a savings of \$41 million in going with the 15.5 to 20.2 student/teacher ratio.
- o In making the current 3.25% roll-back permanent, this would reflect an approximate savings of \$37 million.

Also as a result of implementing the student/teacher ratio, we will not only have an initial savings and improvement in productivity, but it will also necessitate an orderly and natural consolidation of school districts resulting in additional savings and efficiencies. Lee Tack will provide us information as to what the savings will be at our next meeting.

COMMUNITY COLLEGES

- o After further review and analysis with the community colleges, their recommendation is an across the board cut of 10% for 1993.
- o Based on the existing formula in place for funding, this still would result in an 8.6% increase. To date the community colleges have not provided the budgets and analysis necessary to determine where we can achieve operating efficiencies, which we all recognize are there.
- o It is our recommendation that there be no additional funding for community colleges until we have the following information:
 - a thorough analysis as to what their structure and funding is
 - how we can gain uniformity
 - how community colleges are operated
 - what synergistic potentials there are from combining community college services.

At our next meeting, the community colleges and Lee Tack will get back with us with specific budgets to review so we can make the appropriate recommendations.

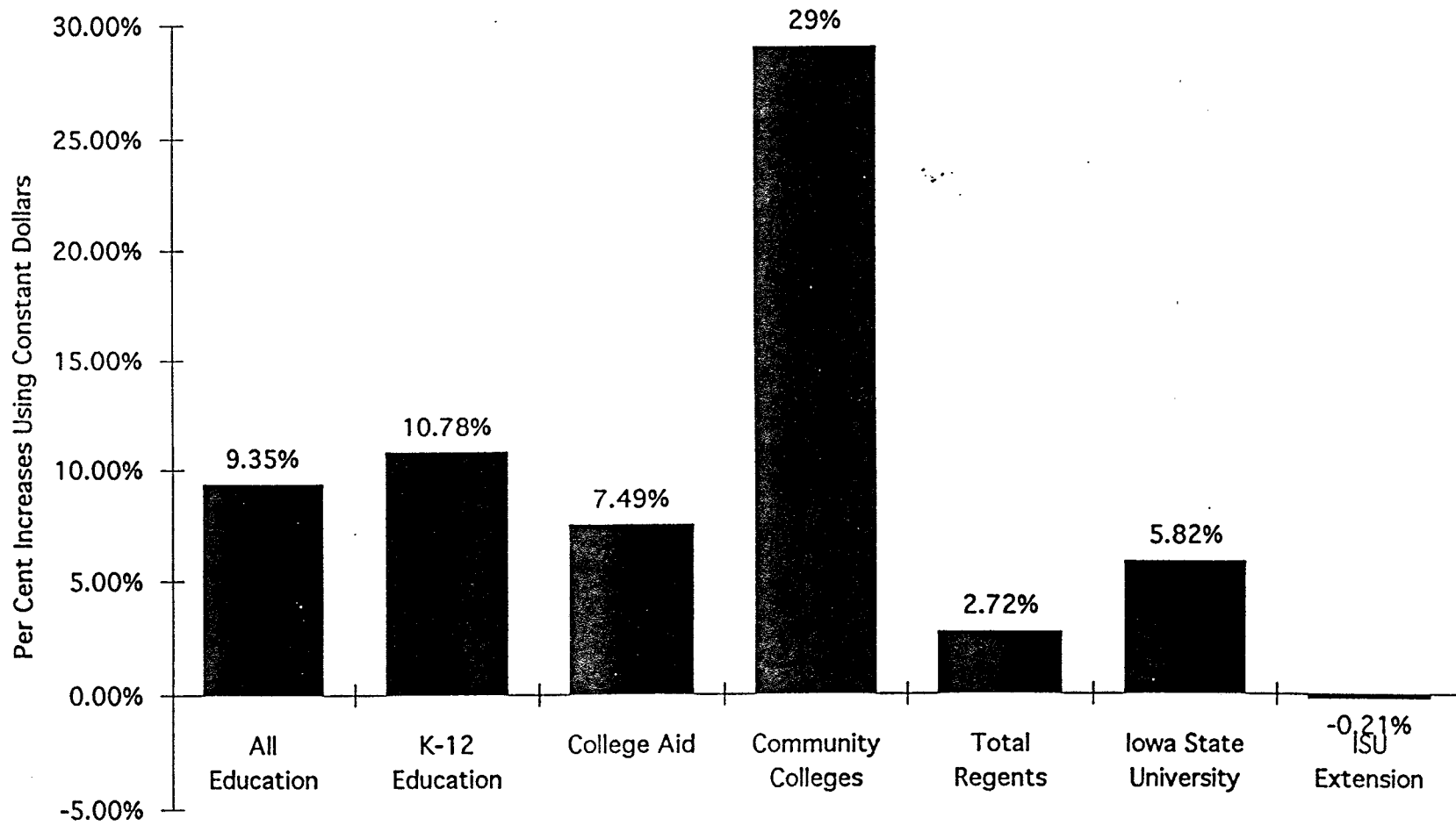
REGENTS

- o A meeting has been set up between Tom Gould, David Fisher, Jay Marshall, David Roederer, Marvin Pomerantz, Wayne Ritchie and Gerry Bair to discuss the regents and to review the proposed questions that were put forth to the regents on October 25 (see attachment).
- o It is our conclusion that if the regents are not a part of the task force review process, that we would recommend a minimum of a 10% cut in state funding to the regents.
- o We would also recommend a change in regents' governance to require them to come under the same state authority, review, audit and accountability for budgets as all other state agencies.

Next meeting to be held Thursday, November 14, 9:00 am at Younkers Downtown Corporate offices.

State Appropriations

% Increases from FY88 to FY92 (7-2-91) in Constant Dollars



OPTIONS FOR
REDIRECTING THE MOTOR VEHICLE USE TAX TO
THE GENERAL FUND

PUBLIC FINANCING TASK FORCE
NOVEMBER 8, 1991

unding Assumptions Based on State and Federal Aid

OPTION B-1

Anticipated Revenue 1992-1996

(\$ millions)	1992	1993	1994	1995	1996
Anticipated federal-aid available	153	173	199	226	276
State funds required to match (assumes 20% match ratio)	38	43	50	57	69
Total state funds available (Includes RISE)	337	343	347	356	364
Less state share of use tax	(24)	(24)	(24)	(24)	(24)
Remaining state funds	313	319	323	332	340
Less states funds needed for Anministration and Maintenance	(197)	(203)	(210)	(219)	(226)
Funds remaining for state projects & federal match	116	116	113	114	114
Less minimum level of state projects	(39)	(39)	(39)	(39)	(39)
Funds remaining for federal match and other state funded projects	77	77	74	75	75
Funds required for formula federal match*	38	43	50	57	69
Funds remaining for state projects or (shortfall)	39	34	24	18	6
Federal-Aid construction which cannot be completed due to shortfall in matching funds available	--	--	--	--	--
Lost federal-aid funds due to shortfall in matching funds available	--	--	--	--	--

*Does not include match for any special federal-aid projects

OPTION B-1

Line - 4: Reallocate \$50 million of the Use Tax for two fiscal years to retire the GAAP deficit. After the GAAP deficit is retired, build the Emergency Reserve Fund for the next three fiscal years. Then either return the Use Tax revenue stream to the Road Use Tax Fund or use the funds to address needs for vertical infrastructure.

Line - 6: 5% savings

Line - 8: No change

**Funding Assumptions Based on State and Federal Aid
 Disputed Revenue 1992-1996**

OPTION B-2

(\$ millions)	1992	1993	1994	1995	1996
Anticipated federal-aid available	153	173	199	226	276
State funds required to match (assumes 20% match ratio)	38	43	50	57	69
Total state funds available (Includes RISE)	337	343	347	356	364
Less state share of use tax	(24)	(24)	(24)	(24)	(24)
Remaining state funds	313	319	323	332	340
Less states funds needed for Administration and Maintenance	(186)	(193)	(199)	(207)	(214)
Funds remaining for state projects & federal match	127	126	124	125	126
Less minimum level of state projects	(35)	(35)	(35)	(35)	(35)
Funds remaining for federal match and other state funded projects	92	91	89	90	91
Funds required for formula federal match*	38	43	50	57	69
Funds remaining for state projects or (shortfall)	54	48	39	33	22
Federal-Aid construction which cannot be completed due to shortfall in matching funds available	--	--	--	--	--
Lost federal-aid funds due to shortfall in matching funds available	--	--	--	--	--

*Does not include match for any special federal-aid projects

OPTION B-2

Line - 4: Reallocate \$50 million of the Use Tax for two fiscal years to retire the GAAP deficit. After the GAAP deficit is retired, build the Emergency Reserve Fund for the next three fiscal years. Then either return the Use Tax revenue stream to the Road Use Tax Fund or use the funds to address needs for vertical infrastructure.

Line - 6: 10% savings

Line - 8: 10% savings

**Funding Assumptions Based on State and Federal Aid
Anticipated Revenue 1992-1996**
(\$ millions)

OPTION C-1

	1992	1993	1994	1995	1996
Anticipated federal-aid available	153	173	199	226	276
State funds required to match (assumes 20% match ratio)	38	43	50	57	69
Total state funds available (Includes RISE)	337	343	347	356	364
Less state share of use tax	(15)	(30)	(26)	(24)	(24)
Remaining state funds	322	313	321	332	340
Less states funds needed for Administration and Maintenance	(197)	(203)	(210)	(219)	(226)
Funds remaining for state projects & federal match	125	110	111	114	114
Less minimum level of state projects	(39)	(39)	(39)	(39)	(39)
Funds remaining for federal match and other state funded projects	86	71	72	75	75
2. Funds required for formula federal match*	38	43	50	57	69
1. Funds remaining for state projects or (shortfall)	48	28	22	18	6
2. Federal-Aid construction which cannot be completed due to shortfall in matching funds available	--	--	--	--	--
3. Lost federal-aid funds due to shortfall in matching funds available	--	--	--	--	--

*Does not include match for any special federal-aid projects

OPTION C-1

ne - 4: Reallocate \$32 million in Use Tax in FY 1992, \$64 million in FY 1993 and \$97.5 million per year thereafter. Divide the reallocated funds 50 percent for GAAP deficit reduction 50 percent for the reserve fund FY 1991-1994 (three years). After that, continue to build the emergency fund so it reaches 3-5% of the size of the General Fund. Fourth year and there after 50% to Road Use Fund and 50% to General Fund.

ne - 6: 5% savings

ne - 8: No change

OPTION C-2

Funding Assumptions Based on State and Federal Aid
 Anticipated Revenue 1992-1996

(\$ millions)	1992	1993	1994	1995	1996
Anticipated federal-aid available	153	173	199	226	276
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Total state funds available (Includes RISE)	337	343	347	356	364
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Remaining state funds	322	313	321	332	340
Less states funds needed for Anministration and Maintenance	(186)	(193)	(199)	(207)	(214)
Funds remaining for state projects & federal match	136	120	122	125	126
Less minimum level of state projects	(35)	(35)	(35)	(35)	(35)
Funds remaining for federal match and other state funded projects	101	85	87	90	91
1. Funds required for formula federal match*	38	43	50	57	69
2. Funds remaining for state projects or (shortfall)	63	42	37	33	22
3. Federal-Aid construction which cannot be completed due to shortfall in matching funds available	--	--	--	--	--
4. Lost federal-aid funds due to shortfall in matching funds available	--	--	--	--	--

*Does not include match for any special federal-aid projects

OPTION C-2

Line - 4: Reallocate \$32 million in Use Tax in FY 1992, \$64 million in FY 1993 and \$97.5 million per year thereafter. Divide the reallocated funds 50 percent for GAAP deficit reduction 50 percent for the reserve fund FY 1991-1194 (three years). After that, continue to build the emergency fund so it reaches 3-5% of the size of the General Fund. Fourth year and there after 50% to Road Use Fund and 50% to the General Fund.

Line - 6: 10% savings

Line - 8: 10% savings

Property Exempt from Property Tax

Issue:

Under state law local property tax is levied against real property. There are, however, a variety of exemptions granted to property based on ownership or use of the property. The assessment and placement of a charge or property tax on currently exempt property may provide a revenue source for local governments.

Background:

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Data compiled from 1990 assessments indicated total assessments of exempt property exceed 6.3 billion.

Revenue Potential for Local Government

Levying a rate of \$4.57 or \$2.81 per thousand for basic city and county services, including police and fire protection, would result in a revenue potential of \$28,791,000 or \$17,703,000. The two levy rates and revenue figures are based on property tax collections and total budgets for basic services.

Local Option Taxation - Subject exempt property to basic levy determined by either vote of people or action by governing body. Using the above levy rates the potential would be \$17,780,000 or \$10,900,000, based on 3.9 billion traditionally exempt property.

Note: Exempt values shown in most cases are under valued. A manageable approach may be to utilize a cost replacement option based on insurability which could increase the valuation.

**PUBLIC FINANCE
TASK FORCE**

FINAL REPORT

**TO THE
GOVERNOR'S**

SPENDING REFORM COMMITTEE

November 18, 1991

**Robert Rigler, Chair
Gerald Bair, Co Chair**

Preliminary: Subject to Public Finance Task Force Meeting 11/20/91

PUBLIC FINANCE TASK FORCE MEMBERS

Robert Rigler, Chair
Chairman of the Board
Security State Bank
New Hampton

Gerald Bair, Co-Chair
Director
Department of Revenue & Finance
Des Moines

Marvin Seldon, Jr.
O'Dea Financial Services
Des Moines

Pat Cavanaugh
Vice President, Business & Finance
Drake University
Des Moines

Glen Erickson
Scott County Administrator
Davenport

Dick Hahn
State Director
Farm Bureau
Walcott

Dick Christie
Superintendent
Council Bluffs CSD
Council Bluffs

Kay Chapman
House of Representatives
Cedar Rapids

Dr. William Lepley
Director
Department of Education
Des Moines

Anita Mandelbaum
Coopers & Librand
Des Moines

Mike McCarville
Mayor
City of Fort Dodge

Tom Gould
President of Younkers
Des Moines

Michael Fitzgerald
Treasurer of State
Des Moines

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PUBLIC FINANCE TASK FORCE

The Public Financing Task Force investigated opportunities to reduce and reform spending in several major areas of state and local government, including education, human services, tax expenditures, and local government finance. The total dollar scope assigned to the task force is approximately \$2.3 billion. The task force divided into four sub-task forces, each of which was given specific areas of spending to review. The sub-task forces were:

Education, which reviewed Kindergarten - 12th grade education, area education agencies, community colleges, college aid, and the regents.

Human Services, which reviewed major health and human services programs, including Medicaid, Foster Care/Juvenile Justice, and Aid to Dependent Children.

Funding Alternatives, which reviewed a set of issues including improved use of existing funds, standing unlimited appropriations, tax credits, and tax deductions. In addition, this group examined alternatives to the present relationship of state and local governments in financing various programs.

Government Finance Restructuring, which was established to develop a long-range government financing vision for Iowa. Its work concentrated on "uncrossing" the funding streams in Iowa government by clarifying the roles state and local governments play in funding essential public services. The ideas developed by this group were shared with the Statewide Service Delivery and Intergovernmental Relations Task Forces. No dollar savings were assigned to this group; it concentrated mainly on long-term systems reforms rather than immediate budget savings.

**PUBLIC FINANCE TASK FORCE
OPPORTUNITY INVENTORY SUMMARY
(in millions)**

FY 1992 FY 1993 FY 1994 FY 1995

HUMAN SERVICES

Adopt Managed Care Statewide for Medicaid	\$	\$.3	\$.7	\$
Use Provider Funds to Leverage Medicaid		10.0	10.0	
Cut Optional Medicaid Eligibility Categories		30.0	30.0	
Cut Optional Medicaid for Mandatory Eligibility		15.0	15.0	
Adopt a Mental Health Funding Formula		15.0	35.0	
Subtotal	\$	\$ 70.3	\$ 90.7	\$

ALTERNATIVE FUNDING

Redirect Motor Vehicle Use Tax to General Fund		50.0	50.0	50.0
Local Government Assistance			9.0	
Subtotal	\$	\$ 50.0	\$ 59.0	\$ 50.0

GRAND TOTAL	\$	<u>15.2</u>	<u>288.8</u>	<u>365.9</u>	<u>50.0</u>
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**PUBLIC FINANCE TASK FORCE
OPPORTUNITY INVENTORY SUMMARY
(in millions)**

EDUCATION	FY 1992	FY 1993	FY 1994	FY 1995
<u>K-12 and AEAs</u>				
Eliminate the Budget Guarantees	\$	\$.6	\$	\$
Restructure Phase III		41.0	41.0	
Eliminate Advances for Increased Enrollment	15.2	10.0	10.0	
Reduce Allowable Growth by One Percent				
Kindergarten - 12th grade (K-12)		*14.8		
Area Education Agencies (AEAs)		* .7		
Reduce AEAs from 15 to 9			1.0	
Eliminate Phantom Students				
K-12		23.0		
AEAs		1.0		
Make 3.25 Across the Board Permanent				
K-12		34.7		
AEA's		2.0		
Student-to-teacher Ratio			202.0	
Education Excellence Incentive Package			(120.0)	
Administration Consolidation			12.0	
Application of Best Practices			32.0	
Subtotal	\$ 15.2	\$ 127.8	\$ 178.0	\$
<u>Community Colleges</u>				
Eliminate Increases of SF 2430		7.7	14.2	
Make the 3.25 Across the Board Permanent		3.4	3.4	
Eliminate Allowable Growth		4.8	4.8	
Eliminate Growth in Other Cost Centers		9.1	9.1	
Establish a Standard Tuition Rate		12.0	12.0	
Eliminate Supplemental Funding for Areas 4 and 14				
Subtotal	\$	\$ 37.2	\$ 43.7	\$
<u>Higher Education Assistance</u>				
		3.5	3.5	
<u>Regents</u>				

*Elimination of total allowable growth of 4% yields \$62 million

KINDERGARTEN - 12TH GRADE FUNDING

Background

Iowa's 425 school districts are funded through a mechanism called the Iowa State Foundation Program and is commonly referred to as the state foundation formula. The formula goals are "to equalize educational opportunity, to provide a good education for all the children of Iowa, to provide property tax relief, to decrease the percentage of costs paid from property taxes, and to provide reasonable control of school costs" The state foundation formula is "pupil driven." School districts' spending authority and funding are determined by multiplying a cost per pupil by the appropriate enrollment.

A review of the previous ten years in K-12 education reveals some important trends. Although school enrollment has dropped 13% from 550,000 in 1980 to 480,000 in 1990, funding has continued to escalate from \$1.18 billion to \$1.92 billion. These trends have resulted in the average per student cost rising from approximately \$2000 in 1980 to approximately \$4000 in 1990; a 7.2% compounded annual growth rate (see attachments 1 - 3).

This growth in funding is well above Iowa's real growth rate, and is driven by the education funding formula. As a standing unlimited appropriation, the amount of funding calculated through the formula is automatically budgeted. While meeting its objectives of state-wide equity, this formula results in appropriations which are not necessarily consistent with the state's resources.

Opportunities/Analysis

A number of analyses were completed to assess the potential magnitude of savings in education. When K-12 education costs are broken out by function (attachment 4), it shows that instruction related expenses account for almost two-thirds of the total. It appears, Iowa's low student-to-teacher ratio contributes significantly to these instruction related expenses. The remaining support costs also warrant examination, with potential savings achievable from consolidation as well as emulating a model best practice district (attachment 5).

It is helpful to compare Iowa's student to teacher ratio to the average of the rest of the nation. In 1990, Iowa had the 13th lowest student-to-teacher ratio in the nation, 15.4 students to one teacher (attachment 6). This low ratio appears to be the result of a large number of small classes in the rural districts, as well as the ever increasing number

**EDUCATION
OPPORTUNITIES**

of special education classified students (which require smaller classes).

These analyses help define the scope of potential savings in K-12 education. From these analysis the following opportunities were developed.

Eliminate Budget Guarantees

The regular program and special education program have budget guarantees which ensure that schools would generate regular program and special education support budgets in FY93 that were at least equal to 100% of their FY92 budgets. Elimination of these guarantees would save about \$.6 million in FY93. However, if FY93 costs are to be reduced, these provisions must be eliminated in order to ensure that potential reductions are not recaptured by schools through the operation of the guarantee.

Student-to-Teacher Ratio

Basing the formula funding on an average student-to-teacher ratio from today's 15.4 to Iowa's ratio in 1970, approximately 20.4, will result in savings of \$202 million (attachment 7). Under this plan, a district would generally qualify for regular program funding based upon the number of regular education students in its classrooms in the base year divided by 20.4 which determines the "unit" of funding. The "unit" is then multiplied by a state-wide "cost per unit of funding" to arrive at regular program funding. The "cost per unit" would be based upon the savings associated with implementing the higher student-to-teacher ratio plan. This plan would also effectively eliminate all phantom students and provide uniformity for the "cost per unit".

In realizing these savings other issues may emerge which will need to be addressed. One such issue may be transportation. As school districts consolidate, the cost of transportation may change. Issues such as this will have to be identified and addressed as educational financing reform takes place. In addition, other additional financing mechanisms would need to be developed for special education, AEAs, talented and gifted, and dropouts.

Education Excellence Incentive Package

During the transition period, \$120 million of the \$202 million savings identified above could be used for early retirement packages, to ease the transition to the 15.4 to 20.4 student-to-teacher ratio. After the student-to-teacher

ratio opportunity is implemented, \$120 million of the savings could be re-invested into teacher compensation through incentives to increase the quality of education.

Restructure Phase III Funding

The \$120 million teacher compensation re-investment is intended to accomplish the same goal as the current Phase III teacher compensation package, therefore, the Phase III package would be superseded by the proposed compensation package. Restructuring the Phase III funding will result in savings of \$41 million in fiscal years 1993 and 1994. A part of the teacher compensation package could be a bonus based on the measurable scholastic improvement of a particular teacher's students.

Administration Consolidation

An examination of the economies of scale show that support costs, and in particular administrative costs, are correlated to school district size (attachments 8 and 9). The economies of scale apply to school districts up to 1000 students. For districts greater than 1000 students, size did not correlate with support cost efficiency. If the 325 school districts of less than 1000 students were consolidated to create 154 school districts of approximately 1000 students each, \$12 million would become available from administrative savings alone (attachment 10). In addition, consolidation of schools enables Iowa to achieve a higher student-to-teacher ratio.

Application of Best Practice Schools

The variance of support cost per student indicated that some districts aren't as efficient at delivering classroom education as others. Closer examination of the school districts with 1500 students indicated a significant variance of 27% between the highest and lowest support cost per student (attachment 11). If all school districts can be supported as effectively as the best practice schools, then additional savings of \$32 to \$132 million is achievable - savings depend on whether the standard is the best in class, the upper quartile, or the upper 50 percentile (attachment 12).

Eliminate Advances for Increased Enrollment

Eliminating the advance for increasing enrollments will result in savings of \$15.2 million in fiscal year 1992 and additional savings in subsequent years. The marginal cost of absorbing students into existing classrooms is usually not

substantial. In those cases where a major influx of students occurs, schools may appeal to the School Budget Review Committee for relief.

Revise Allowable Growth Percentage for FY93

The state percent of allowable growth is based upon percentage changes in state general fund revenue and inflation. The percent of allowable growth is used to establish the amount by which per pupil costs increase each year. The allowable growth percentage calculated for FY93 is just over 4%. The allowable growth percentage is established by formula, but can be changed by legislative action. Each percentage point reduction in the allowable growth would save approximately \$15 million in state aid and approximately \$3 million in property taxes. If allowable growth for FY93 were set a 0%, the state aid savings would be about \$62 million.

Make Permanent the State Aid Savings from the Across-the-Board Reduction

The state aid savings from the FY92 across-the-board reduction was about \$36.7 million. The state aid savings from the reduction should be made permanent by a reduction in per pupil costs and the formula should be modified so that savings cannot be replaced with property taxes.

Eliminate Phantom Students

The State Foundation Program adds nonexisting students to a school's actual enrollment, depending upon the percentage loss in actual enrollment over a six-year period. These students are called "phantom students". If enrollments stabilize or increase in a school, phantoms will be eliminated in six years. On the other hand, phantoms may never be eliminated if a district's enrollment fluctuates up and down. Complete elimination of phantoms in FY93 will save around \$24 million in state aid. Savings would be proportionately less if the elimination were to occur over a period of years.

Reduce Area Education Agencies (AEAs) from 15 to 9

AEAs provide special education support, media, and educational services to school districts. Reducing the number of AEAs from 15 to 9 as recommended by the Department of Education, would result in savings in administration of approximately \$1 million.

Elimination of Allowable Growth Formula

Currently, the appropriation for school aid is a "standing unlimited" appropriation. In other words, the state appropriates whatever amount the school aid formula generates. The school aid formula should continue to be the mechanism to determine the amount of school aid but the Governor and the legislature should annually establish the percentage of allowable growth. This will permit greater control of the size of the state aid appropriation for schools to more nearly reflect the state's ability to pay.

If the Governor and legislature do not set the allowable growth percentage, the computation for allowable growth in the school aid formula should be revised to make the computation more nearly reflect the state's economic growth. This should be done by adjusting the general fund revenues for changes in rates or basis. It is not reasonable for the school districts to receive a disproportionate share of state revenue because of changes in rates or basis.

These opportunities will take time to implement. Some of the opportunities may be implemented yet this year (eliminating the advances for increased enrollments) while most may be started in the 1992-93 school year. Increasing the student-to-teacher ratio from 15.4 to 20.4 should be fully implemented by the 1993-94 school year.

Fiscal Impact

OPPORTUNITY INVENTORY (in millions)

	FY92	FY93	FY94
Tier I - Short term savings opportunities with consistent long-range applications:			
Eliminate the Budget Guarantees	\$	\$.6	\$
Restructure Phase III		41.0	41.0
Eliminate Advances of Inc. Enroll.	15.2	10.0	10.0
Reduce Allowable Growth By One Percent (Each one percent is worth approx. \$15.5 million for a total of \$62 million)			
K-12		14.8	
AEAs		.7	

Reduce AEAs from 15 to 9 1.0

Eliminate Phantom Students

K-12

23.0

AEAs

1.0

TOTAL: Tier I Opportunities

\$ 15.2 \$ 91.1 \$ 52.0

Tier II- Short term one-time savings:

Carry forward to FY93 The Across-The-Board budget reduction. Will impact the opportunities identified above.

K-12

\$ 34.7

AEAs

2.0

Total Tier II Opportunities

\$ 36.7

Tier III- Comprehensive Educational Financing Reform (Long Range Comprehensive Program):

Student-to-Teacher Ratio

\$202.0

Education Excellence Incentive Package

(120.0)

Administration consolidation

12.0

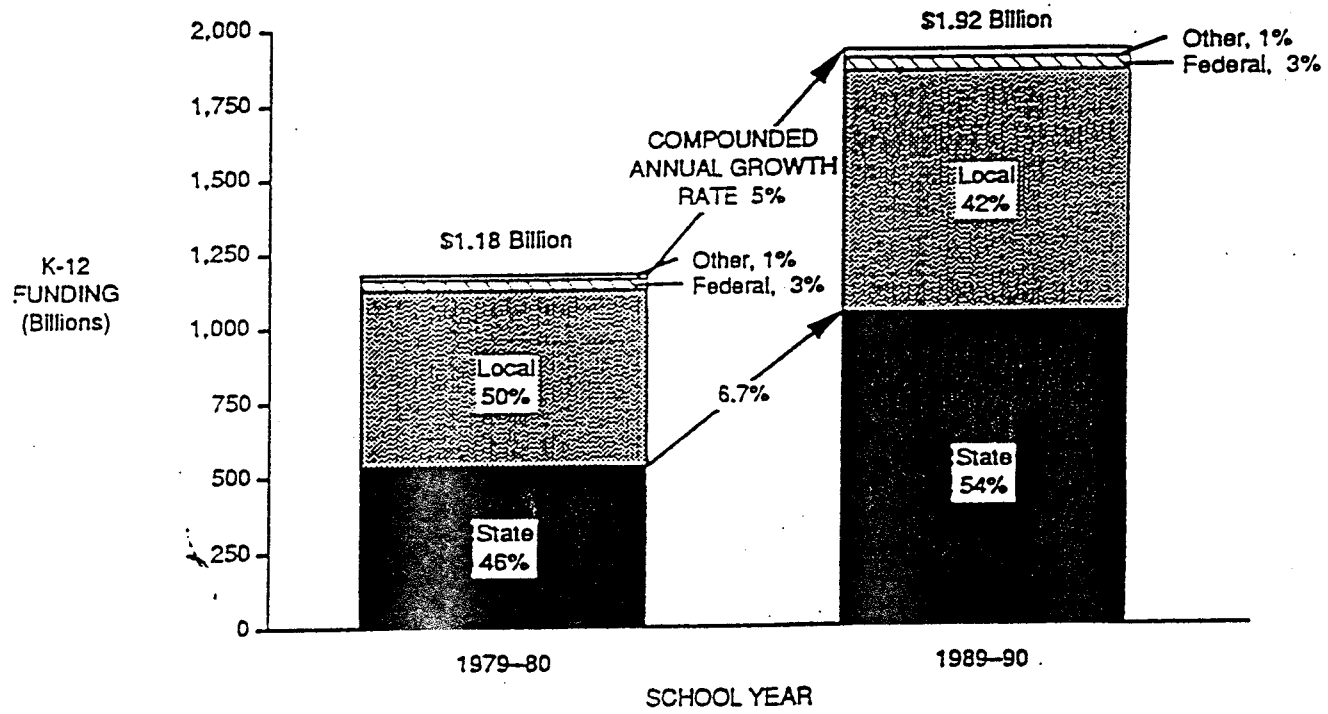
Application of Best Practices

32.0

Total Tier Three Opportunities

\$126.0

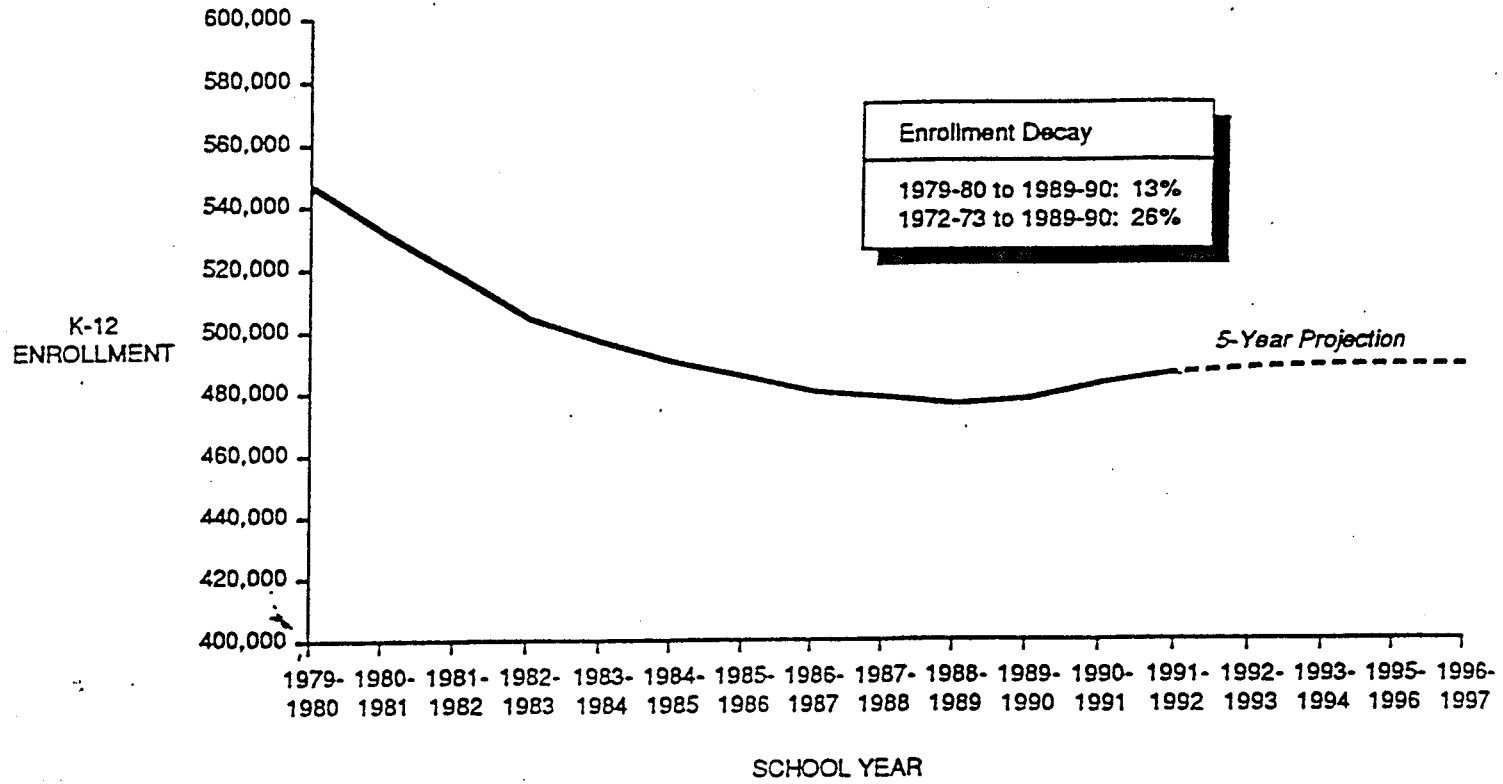
IOWA PUBLIC SCHOOL (K-12) FUNDING



Source: Revenue Summary Report (Operating Fund), Iowa Department of Education

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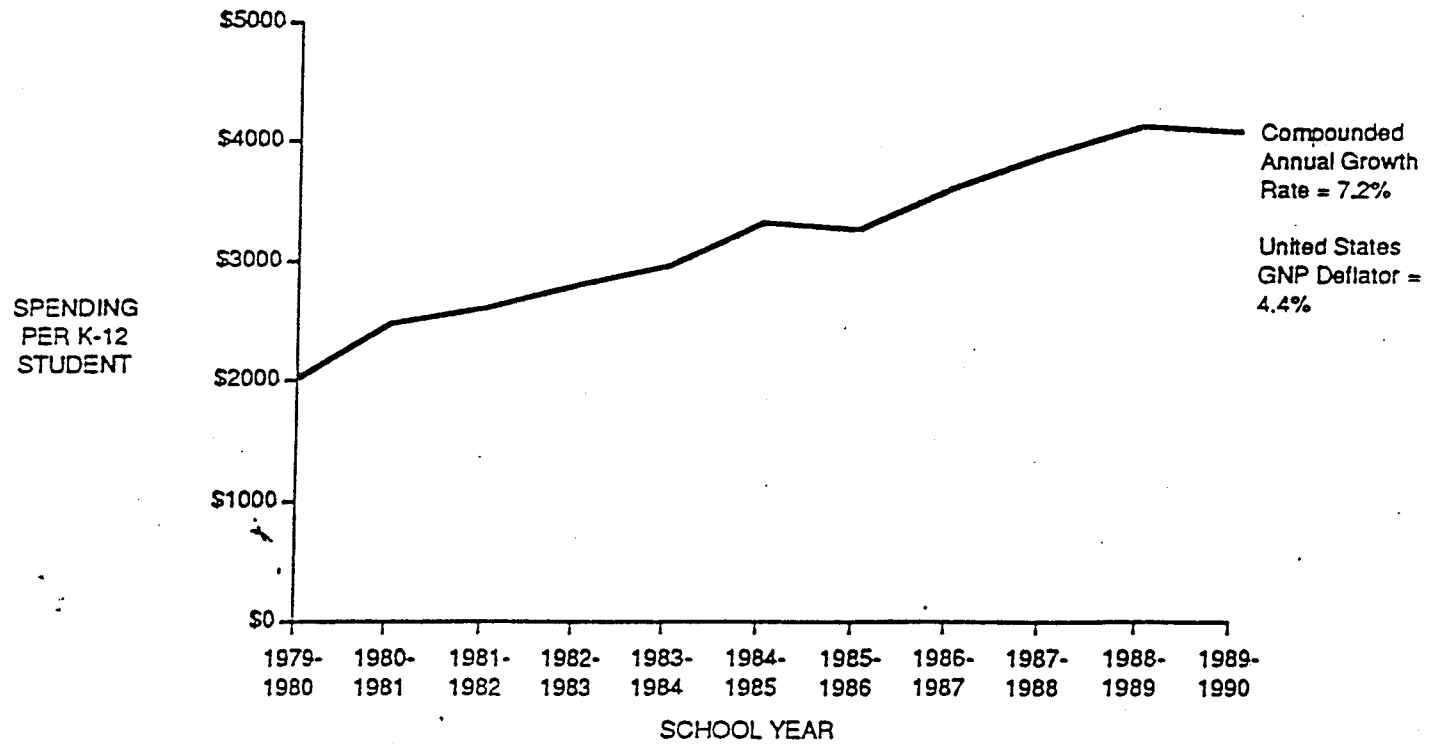
K-12 SCHOOL ENROLLMENT DECAY



Source: Student Enrollment Report, Iowa Department of Education

167-34938.2S /DL

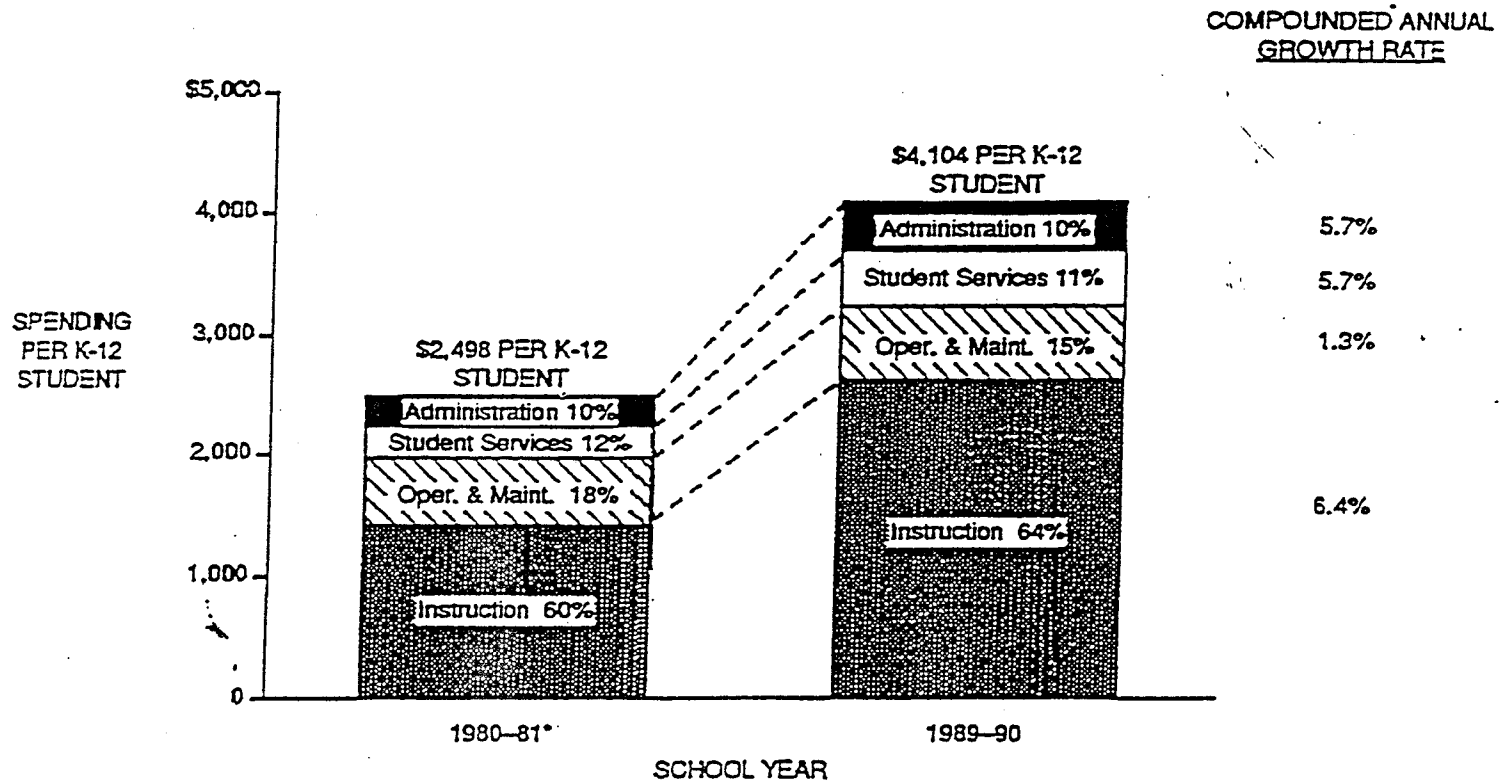
K-12 EXPENDITURES (Per Student Basis)



Source: Iowa School Data Summary, Iowa Department of Education

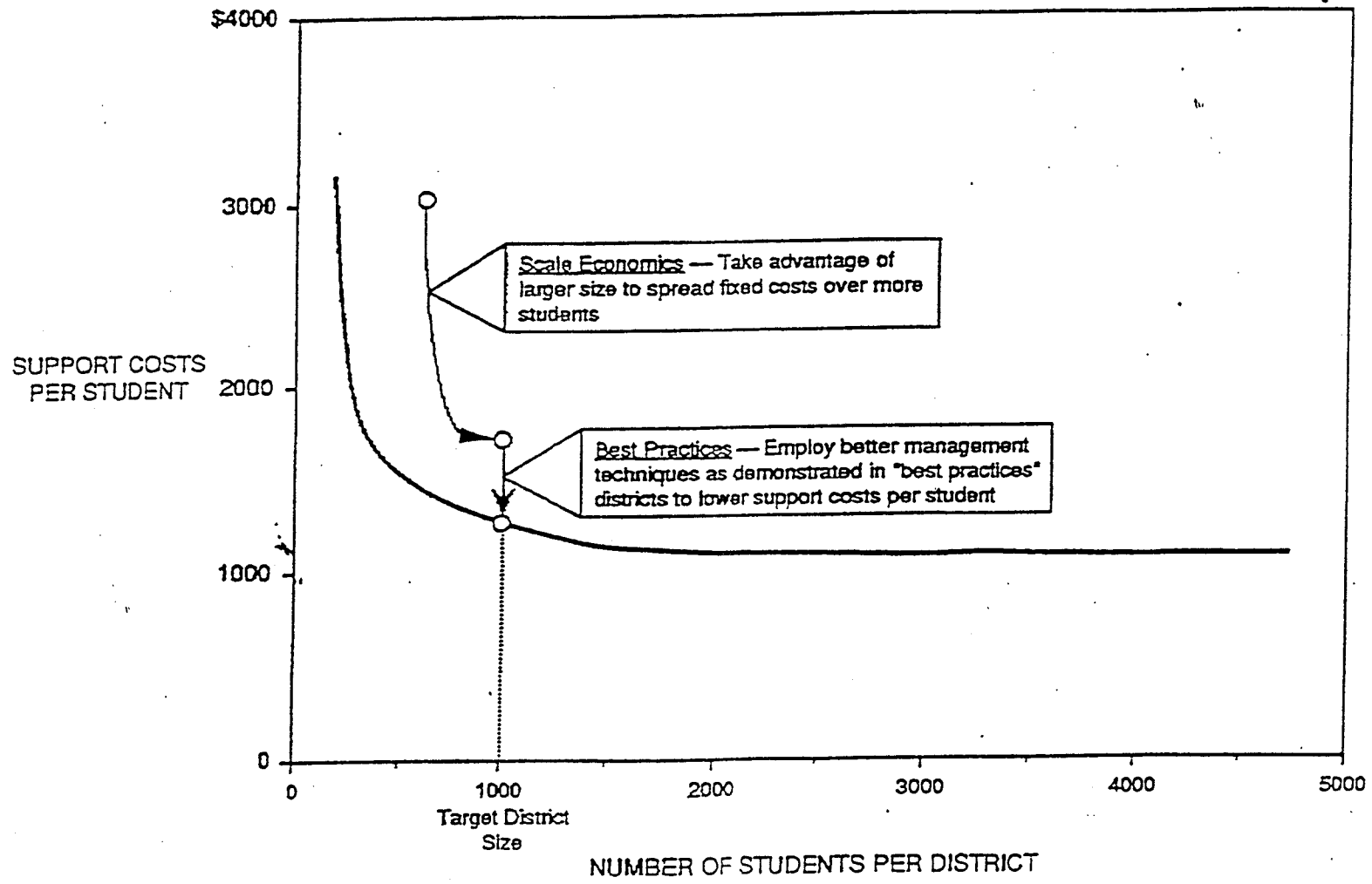
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K-12 EXPENDITURES BY COST CATEGORY (Per Student Basis)



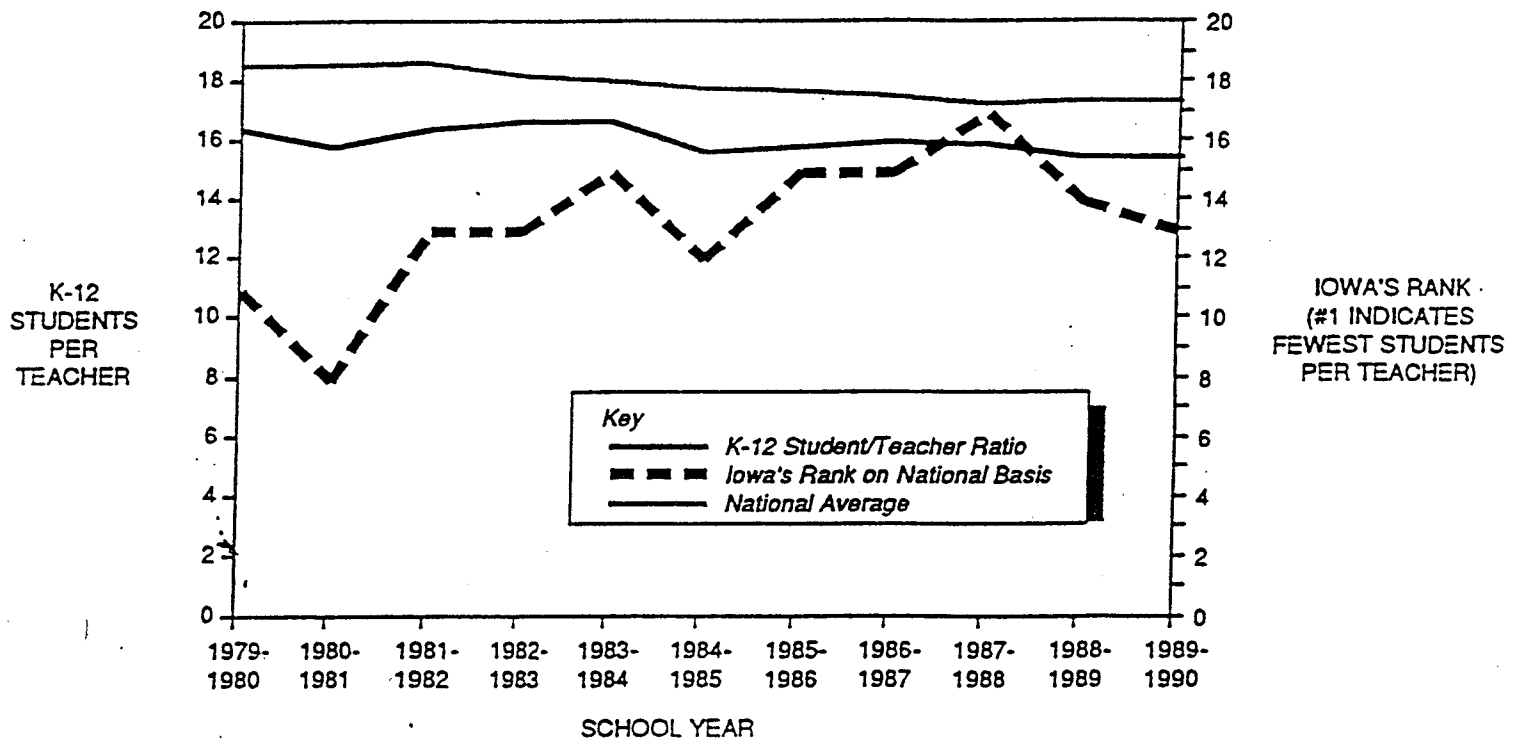
*Data not available for 1979-80
Source: LEA Annual Report Summary, Iowa Department of Education

SUPPORT COSTS AS A FUNCTION OF SCALE ECONOMICS AND BEST PRACTICES



11

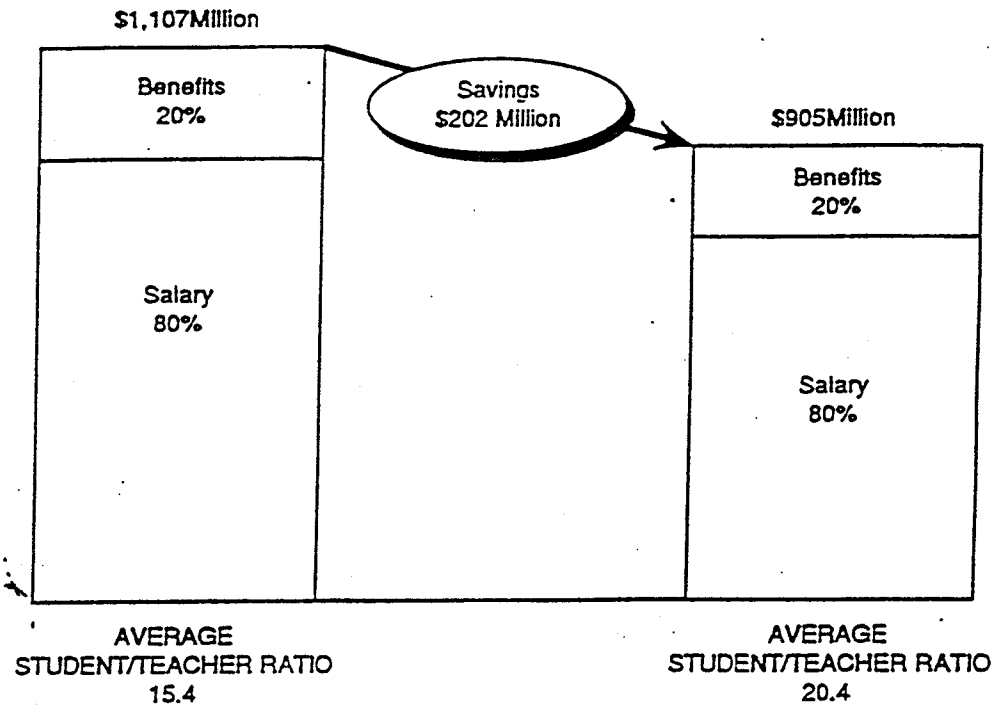
IOWA'S STUDENT/TEACHER RATIO AND NATIONAL RANK



Source: Ranking of States Summary, Department of Education

167-34940.2C/DL

AGGREGATE TEACHER COMPENSATION COSTS AS A FUNCTION OF STUDENT/TEACHER RATIO

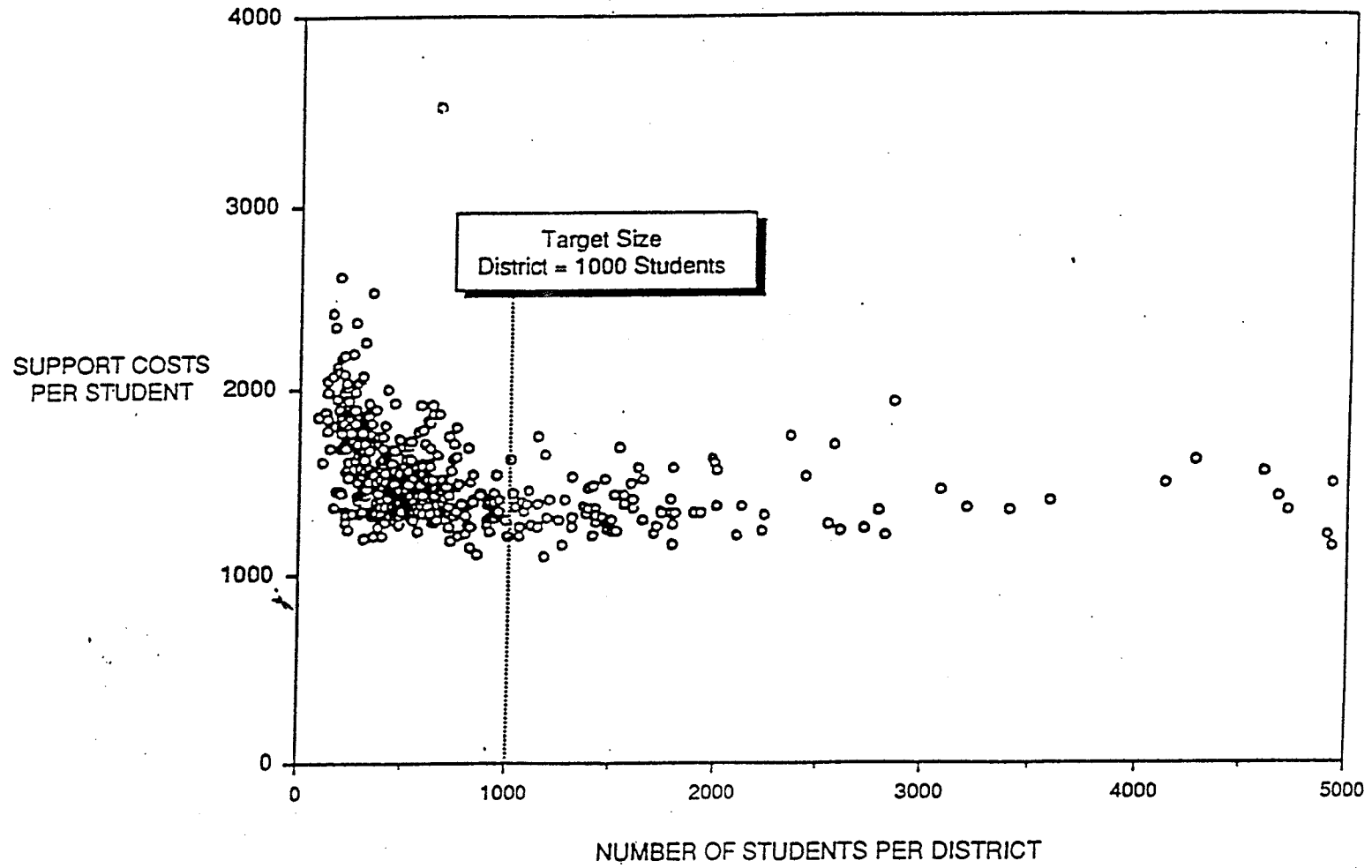


Assumptions: Reduction of 6000 Teacher FTEs
 Average Teacher Salary = \$28,000
 Average Teacher Benefits = \$5,600

Source: *Operating Fund Expenditures Computation (By Program)*, Department of Education

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SCALE ECONOMIES IN SUPPORT COSTS

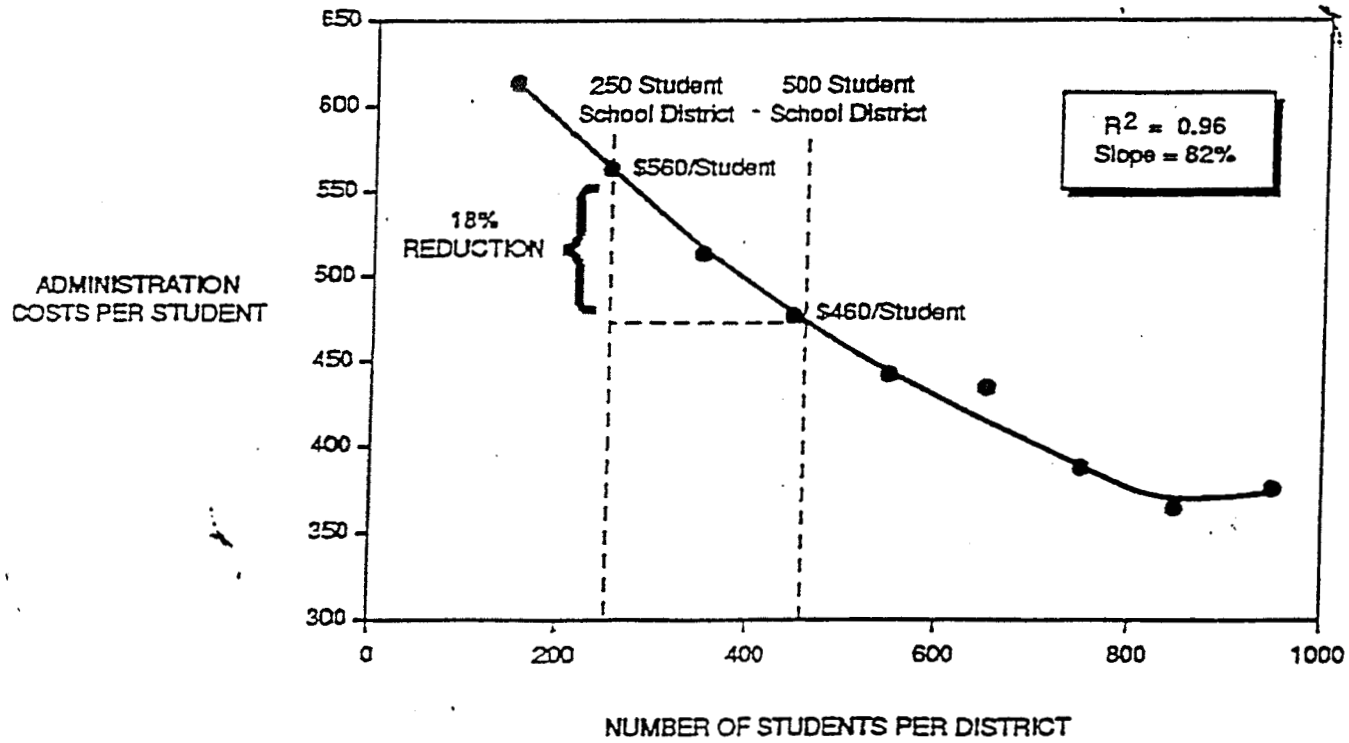


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Source: Operating Fund Expended Computation (By Program), Department of Education

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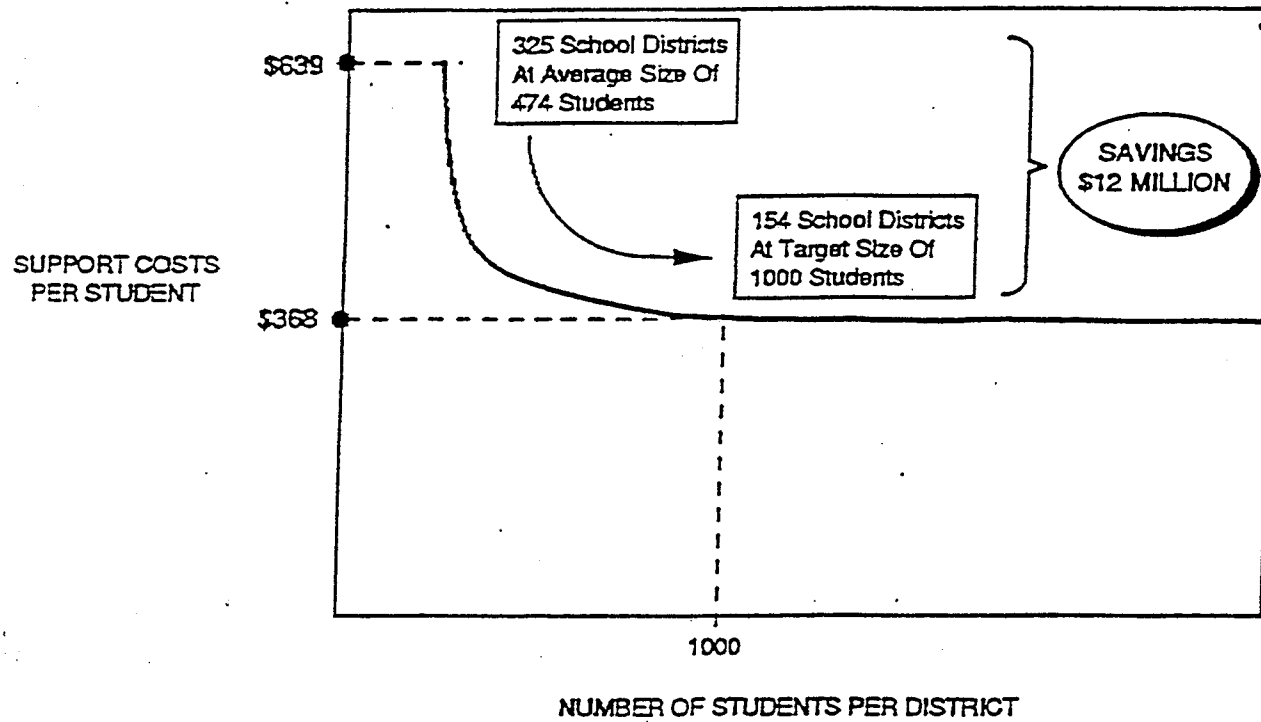
SCALE ECONOMICS IN ADMINISTRATION FOR DISTRICTS ≤ 1000 STUDENTS



15

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SAVINGS IN ADMINISTRATION FROM CONSOLIDATION



16

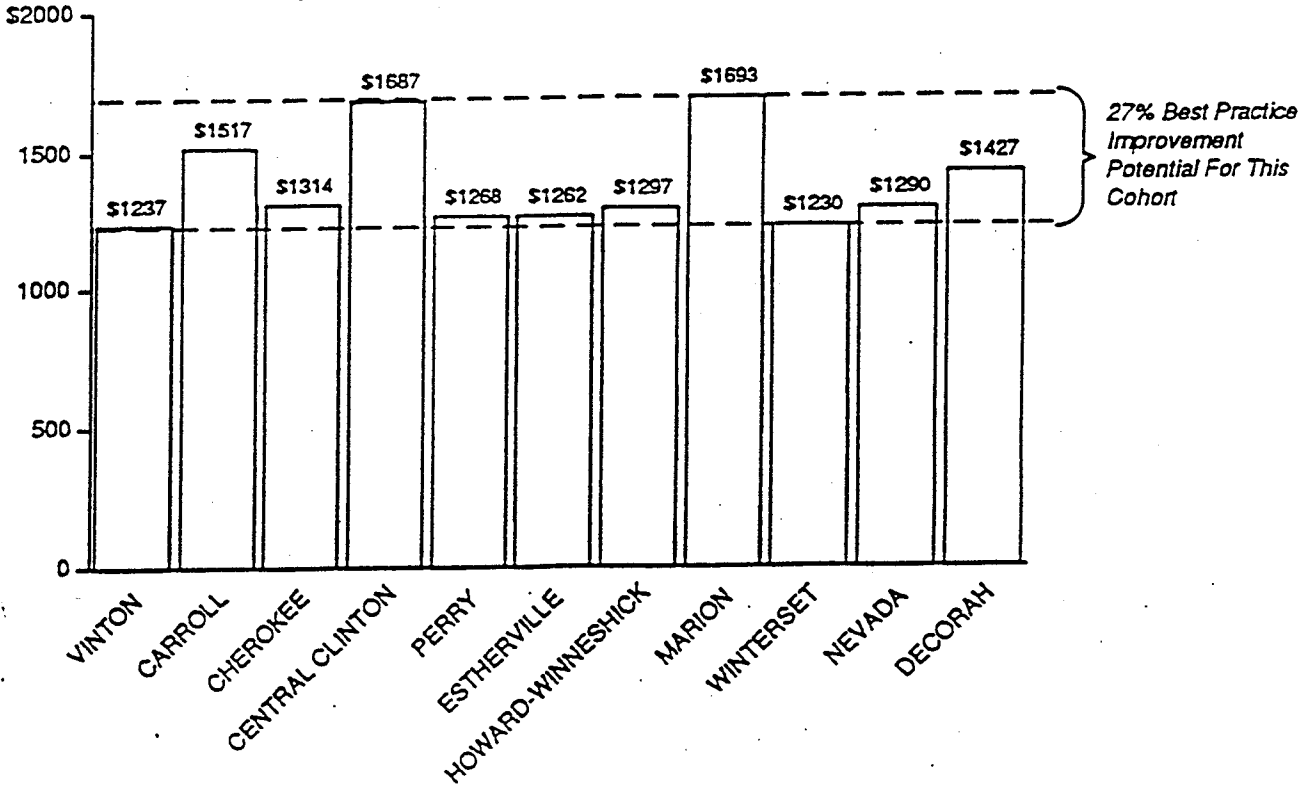
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Source: Operating Fund Expenditures Computation (By Program), Department of Education

EXAMPLE

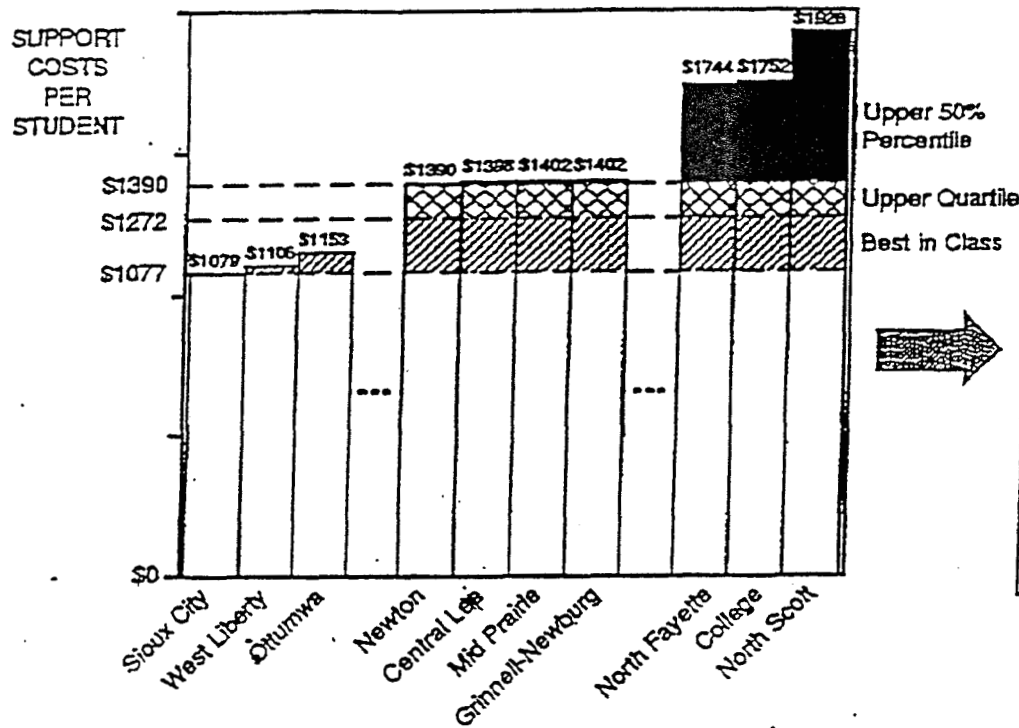
COMPARISON OF STRUCTURAL EXPENDITURES PER STUDENT (District Size: 1450-1550 Students)

SUPPORT
EXPENDITURES
PER STUDENT



Source: Operating Fund Expenditures (By Program), Department of Education

BENCHMARK COMPARISON OF SCHOOL DISTRICT SUPPORT COSTS (Per Student)



POTENTIAL BEST PRACTICE SAVINGS

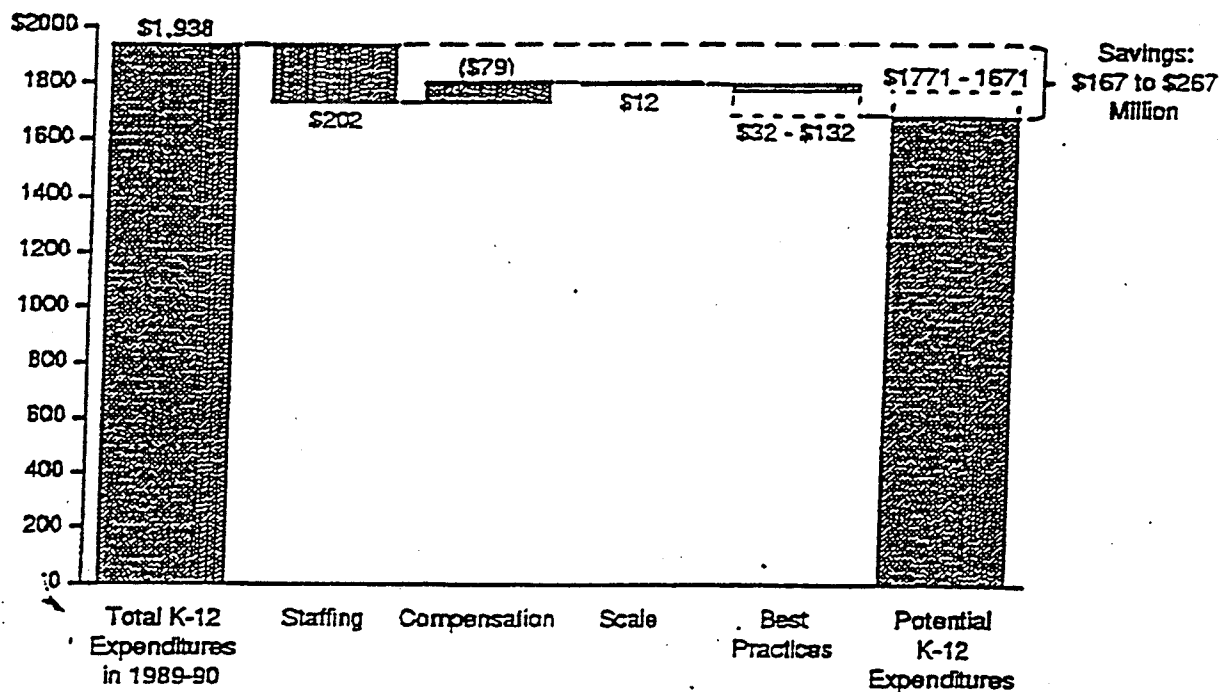
School District	No. of Students Per District	Per Student Support Costs Above Benchmark			Best Practice Savings (\$ Thousands)		
		Best in Class	Upper Quartile	Upper 50%	Best in Class	Upper Quartile	Upper 50%
Sioux City	13,871	\$0	-	-	\$0	\$0	\$0
West Liberty	1175	29	-	-	34	0	0
Ottumwa	4924	77	-	-	373	0	0
...
Newton	3595	313	\$118	\$0	1125	424	0
Central Lee	1063	321	126	8	341	134	9
Mid-Prairie	1199	325	130	12	390	156	14
Grinnell-Newburg	1782	325	130	12	579	232	21
...
North Fayette	1142	667	472	354	762	539	404
College	2359	675	480	362	1592	1132	854
North Scott	2853	851	656	538	2429	1872	1535

Total = (Millions)	\$132	\$76	\$32
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Source: Operating Fund Expenditures Computation (By Program), Dept. of Education

TOTAL POTENTIAL SAVINGS IN K-12 EDUCATION

TOTAL K-12
EXPENDITURES
1989-90
(Millions)



COMMUNITY COLLEGES

Background/Description

Community colleges in Iowa, authorized under Chapter 280A, Code of Iowa, constitute a state wide system of public two-year post-secondary educational institutions. Each of the fifteen community colleges serves a multi-county merged area and all counties in the state are now included in one of these merged areas. Fourteen of the community colleges are approved as comprehensive community colleges and one is a technical college which is currently considering applying for community college status.

The statement of policy describing the educational opportunities and services to be provided by community colleges is found in Chapter 280A.1, Code of Iowa. This statement of policy identifies the following as services that should be included in a community college's mission.

1. The first two years of college work, including preprofessional education.
2. Vocation and technical training.
3. Programs for in-service training and retraining of workers.
4. Programs for high school completion for of post-high school age.
5. Programs for all students of high school age who may best serve themselves by enrolling for vocational and technical training while also enrolled in a local high school, public or private.
6. Programs for students of high school age that provide advanced college placement courses not taught at a student's high school while the student is also enrolled in the high school.
7. Student personnel services.
8. Community services.
9. Vocational education for persons who have academic, socioeconomic, or other handicaps which prevent succeeding in regular vocational education programs.
10. Training, retraining, and all necessary preparation for productive employment of all citizens.
11. Vocational and technical training for persons who

are not enrolled in a high school and who have not completed high school.

The community colleges are funded by a formula based on such things as allowable growth, contact hours, square footage, etc, which automatically determines the level of funding each fiscal year.

Community colleges are governed by locally elected boards of directors that consist of from five to nine members who are elected for terms of three years. A local board has responsibility for developing and enforcing policies and rules for the operations of their community colleges, determining the curriculum to be offered, and appointing the president of the college.

At the state level, the regulation and coordination of community colleges is the responsibility of the state board of education. The state board has specific responsibilities for approval of community college instructional programs, college budgets, and facilities. In addition to community colleges, the state board of education is responsible for the regulation and coordination of elementary education, the intermediate area education agencies that provide services to local school districts, and their operation of state wide vocational rehabilitation services.

Opportunities

During fiscal year 1991, the Higher Education Act as revised by senate file 2430 was passed. A total of five instructional cost centers and four noninstructional cost centers are the primary components of the formula. Each cost center has a percentage of allowable growth built into the formula. Additional appropriations to community colleges with a two year increase in student enrollment is required under the formula.

Place Community Colleges under Chapter 8, Code of Iowa

Chapter 8, Code of Iowa, prescribes the preparation of the state budget. State departments are required to submit budgets to the Department of Management for inclusion in the Governor's budget recommendation. The department's budgets are scrutinized by the Department of Management, the Governor's Office, and the legislature. By prescribing that community colleges are budgeted for in the same manner as all other departments (including the regents), they will be subject to the same scrutiny and resource limitations as all of state government. By becoming part of the appropriation process, the funding formula is eliminated and the colleges have to defend any requested increase in their appropriation.

Maintaining State General Fund Aid at FY92 Level

Of their fiscal year 1992 state general fund aid, community colleges will receive the first three quarters in fiscal year 1992 and the fourth quarter in fiscal year 1993, likewise, in fiscal year 1993 the colleges will receive the first three quarters in fiscal year 1993 and the fourth quarter in fiscal year 1994. The following chart shows state general fund aid for fiscal years 1992 and 1993 from the perspective of the community colleges.

	1992	1993	Increase
Formula Request	\$ 91,272,564	\$106,757,706	\$15,485,142
Across the Board	<u>(2,966,358)</u>		<u>2,966,358</u>
Net	\$ 88,306,206	\$106,757,706	\$18,451,500
4th quarter	<u>16,106,923</u>	<u>18,839,595</u>	<u>2,732,672</u>
Total	<u>\$104,413,129</u>	<u>\$125,597,301</u>	<u>\$21,184,172</u>

For the purposes of dealing with cost reductions for fiscal year 1993, the state must consider the amounts actually paid in fiscal years 1992 and 1993. For example the across the board reduction was applied to the fourth quarter of 1991 and the first three quarters of 1992. The following chart shows state general fund aid to the community colleges from the state's perspective.

	1992	1993	Increase
Formula request	\$ 91,272,564	\$106,757,706	\$15,485,142
4th quarter	<u>14,809,862</u>	<u>16,106,923</u>	<u>1,297,061</u>
Subtotal	106,082,426	122,864,629	16,782,203
Across the board	<u>(3,447,679)</u>		<u>3,447,679</u>
Total	<u>\$102,634,747</u>	<u>\$122,864,629</u>	<u>\$20,229,882</u>

Maintaining the community colleges at the fiscal year 1992 funding, less the across the board reduction, results in a savings of \$20.2 million dollars as shown above. This level of funding for the colleges would be consistent with the rest of state government which is not only expected to operate at current levels but may be asked to absorb a 5% reduction below 1992 funding.

IF THE FUNDING FORMULA IS NOT ELIMINATED AND THE LEVEL OF FUNDING IS NOT HELD AT THE FISCAL YEAR 1992 LEVEL, THE FOLLOWING OPPORTUNITIES EXIST.

Senate File 2430 Revisions

The revisions of senate file 2430, unless repealed, will result in the increases for 1991 to 2000 as shown below and detailed on the following table. The figures, as prepared by the Legislative Fiscal Bureau, are based on 4% allowable growth and no increase in contact hours, and therefore; may be conservative in nature.

<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
0.3	4.2	7.7	14.1	21.9	26.7	31.8	38.0	43.1	49.3
(in millions)									

These amounts are cumulative and will increase the base each year. For example the base for fiscal year 1992, not considering the 3.25% across the board decrease, is \$107.4 million. The fiscal year 1992 base of \$107.4 million would be added to by \$7.7 million in fiscal year 1993 to \$115.1 million and by \$14.1 million in fiscal year 1994 to \$129.2 million and so on. The community colleges began in 1967 with \$4.5 million in state general fund aid. Over twenty-five years the general fund aid was increased by \$102.9 million to the \$107.4 million in fiscal year 1992 to a projected base of \$340.0 million fiscal year 2000. This is a projected \$232.6 million increase in eight years for only the increases generated by the revisions of senate file 2430. These increases, which are probably conservative in nature as noted above, are in addition to the allowable growth already provided for in the funding formula (the \$7.7 million increase for 1993 is included in the \$20.2 million detailed above).

Eliminate Allowable Growth for FY93

Allowable growth for community colleges is set at 4.151% and generates (according to the fiscal bureau) approximately a \$4.8 million increase. If allowable growth was established at 0% for FY93 the \$4.8 million would be saved.

Make the 3.25% Across the Board Reduction Permanent

Making the 3.25% across the board reduction permanent, would result in savings of \$3.4 million.

Eliminate Growth in Other Cost Centers

Growth in other cost centers such as contact hours, square footage, libraries, and radio stations could be held at 0% or eliminated from the formula. The elimination of these cost centers could result in savings of \$9.1 million dollars in fiscal year 1993.

SPECIFIC CHANGES BY S.F. 2410

	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Community College Name Changes										
Quality Institution Center's Rules	\$74,780	\$74,780	\$74,780	\$74,780	\$74,780	\$74,780	\$74,780	\$74,780	\$74,780	\$74,780
Program and Administrative Sharing Rules	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Accreditation for Community Colleges	\$75,780	\$75,780	\$75,780	\$75,780	\$75,780	\$75,780	\$75,780	\$75,780	\$75,780	\$75,780
Brochure for Postsecondary Enrollment Option	\$8,500									
Coordination Study	\$10,000	\$10,000								
Higher Education Planning Council	\$29,760	\$29,760	\$29,760	\$29,760	\$29,760	\$29,760	\$29,760	\$29,760	\$29,760	\$29,760
Iowa Grants Program	AD	AD	AD	AD	AD	AD	AD	AD	AD	AD
Graduate Student Financial Assistance	AD	AD	AD	AD	AD	AD	AD	AD	AD	AD
Postsecondary Enrollment Option Cost										
Board of Regents Policy Changes										
Postsecondary Enrollment Option Students		\$58,881	\$140,082	\$177,251	\$204,298	\$235,838	\$272,580	\$315,348	\$368,255	\$408,944
Nonresident Tuition										
Community College Policy Changes										
Community College Mergers										
Staff Development			\$552,720	\$1,179,915	\$1,898,963	\$2,699,078	\$3,598,008	\$4,818,782	\$5,708,898	\$6,931,838
Bonds and Notes										
Funding Formula Changes		\$2,524,730	\$4,042,868	\$6,672,592	\$10,134,708	\$13,413,499	\$16,980,482	\$21,383,780	\$24,598,841	\$28,742,299
Remedial Education Cost Center										
Community College Excellence 2000 Account		\$1,200,000	\$2,783,800	\$5,889,577	\$9,484,813	\$10,121,543	\$10,794,019	\$11,548,979	\$12,229,084	\$12,997,193
New Council / New Board Members	\$28,200	\$28,200	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
Child Care Study at Community Colleges										
Department of Personnel Study	\$50,000	\$50,000								
Postsecondary Enrollment Option Act Study	\$20,000									
Board of Regents Study										
Jobs Training Study		\$72,200								
Special Program vs. Reciprocity Agreements		\$10,000								
Higher Ed. Strategic Planning Council Studies		\$60,000								
Board of Educational Examiners Study	\$15,000									
TOTAL	\$348,020	\$4,228,171	\$7,738,578	\$14,168,656	\$21,958,102	\$28,707,278	\$31,862,367	\$38,082,217	\$43,128,178	\$49,315,592
Total for S.F. 2410	\$345,020	\$9,293,131	\$16,882,981	\$24,878,039	\$34,786,604	\$44,280,357	\$50,492,877	\$57,008,806	\$62,350,427	\$68,858,662
S.F. 2430 vs. S.F. 2410		(\$5,066,900)	(\$8,846,383)	(\$10,711,384)	(\$12,830,502)	(\$17,573,081)	(\$18,630,290)	(\$18,927,478)	(\$19,222,251)	(\$19,541,090)

NOTE: AD - Fiscal Impact is dependent on Appropriation
See Executive Summary for Assumptions

SOURCES: Department of Education
Department of Management
Board of Regents
College Aid Commission
Department of Personnel
Department of Employment Services
Department of Economic Development

Establish a Standard Tuition Rate

The cost per credit hour varies from a low of \$31.00 at Hawkeye Technology in Waterloo to a high of \$50.00 at Iowa Lakes, Iowa Central, and Iowa Valley Community Colleges. The difference is affected by three colleges out of the fifteen still being on quarter hours. By factoring in the conversion of quarters to semesters and the number of credit hours generated the average cost per credit hour is approximately \$35.00. If the average cost per credit hour is computed strictly on the raw cost per credit hour the average cost is around \$41.00. By factoring in the quarter hours and the number of credit hours generated the average cost is lower mainly due to the fact that Des Moines Area Community College and Kirkwood Community College, who generate the most credit hours, are at \$35.00 and \$37.00 a credit hour respectively.

The three community colleges still on quarters should be converted to semesters and all the colleges should have a standard tuition rate established. The tuition rate would be established by legislature during the appropriation process. For example, if the tuition rate was established at \$45.00 per credit hour (semesters) and 815,106 credit hours in arts and sciences and 633,005 credit hours in vocational education (total of 1,448,111), an additional \$12 million in tuition revenue would be generated. This was arrived at by taking the difference between \$45.00 and \$35.00 (or \$10.00) times the total number of credit hours (1,448,111) generated. Additional revenue for credit hours that are not vocational or liberal arts would be generated but are not factored into the \$12 million estimate. The additional revenue could be deducted in whole or in part from the state general fund Aid.

Change Contact Hours to Credit Hours

The current formula for funding community colleges is based, in part, on contact hours. Basically, a contact hour is fifty minutes of instruction. However, many different factors affect the determination of a contact hour and the factors are not consistently applied throughout the fifteen community colleges. For example, the exact same class at two different community colleges with the same amount of enrollment can generate vastly different contact hours. If all the colleges would operate on semester hours, as suggested above, and the contact hours were changed to credit hours in the formula, greater consistency would result.

Property Tax Option

Chapter 280A, Code of Iowa, establishes a general fund maximum property tax levy of up to 20 1/4 cents per thousand dollars of valuation for community college funding. If any of the options above are implemented, the community colleges would need to examine other funding sources if they intend to

grow above a base budget. Property taxes currently account for approximately 7% of community college funding.

If a community college feels it needs additional funding, then subject to a referendum, the college would be able to generate additional funds by levying property tax in excess of the 20 1/4 cents per thousand.

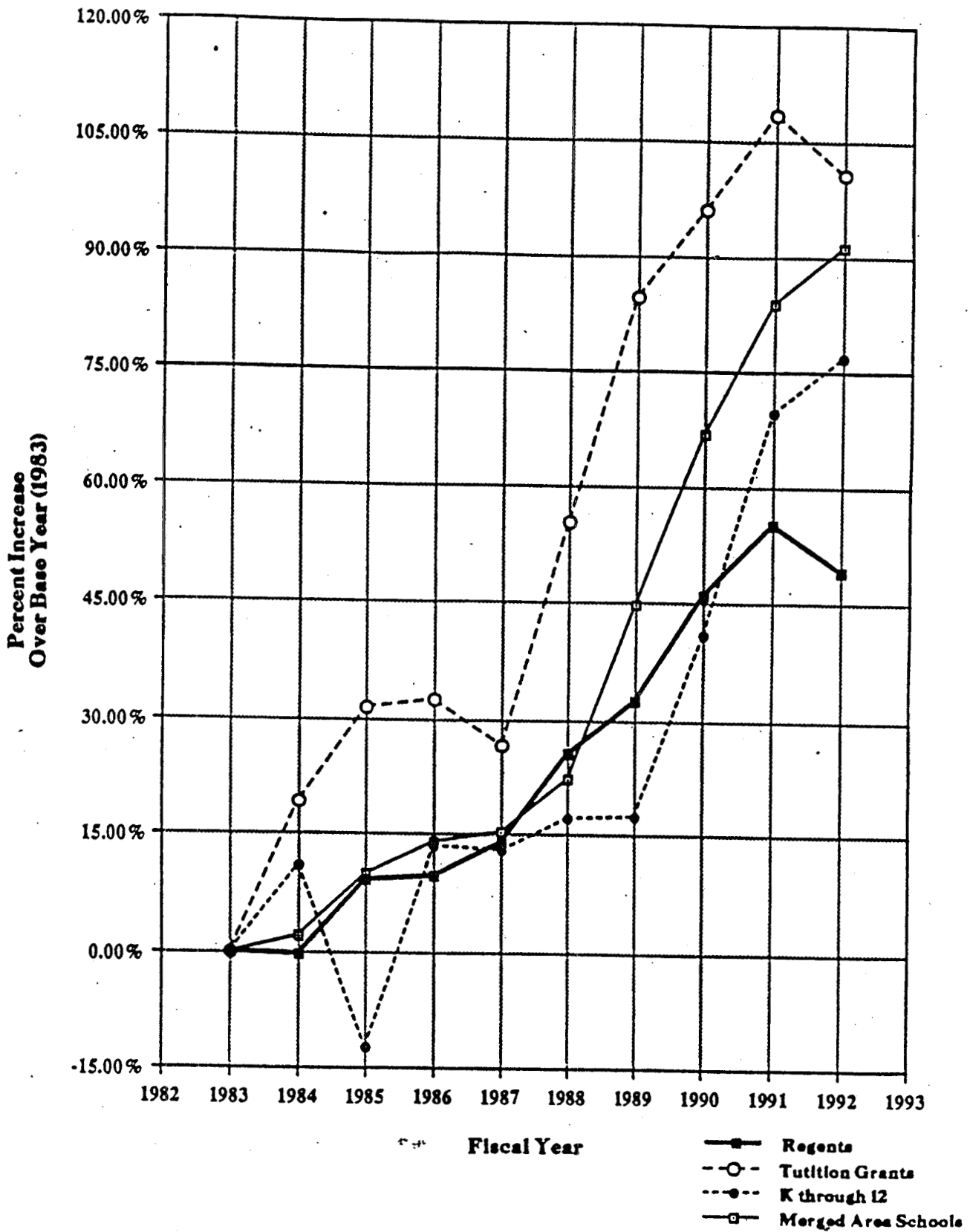
Eliminate Supplemental Funding for Merged Areas 4 & 14

Currently, merged areas 4 and 14, (Sheldon and Creston) receive addition funds because they have less than 1,000,000 contact hours. Essentially, the state is putting additional dollars above their formula driven appropriation. Eliminating this appropriation would save \$213,000.

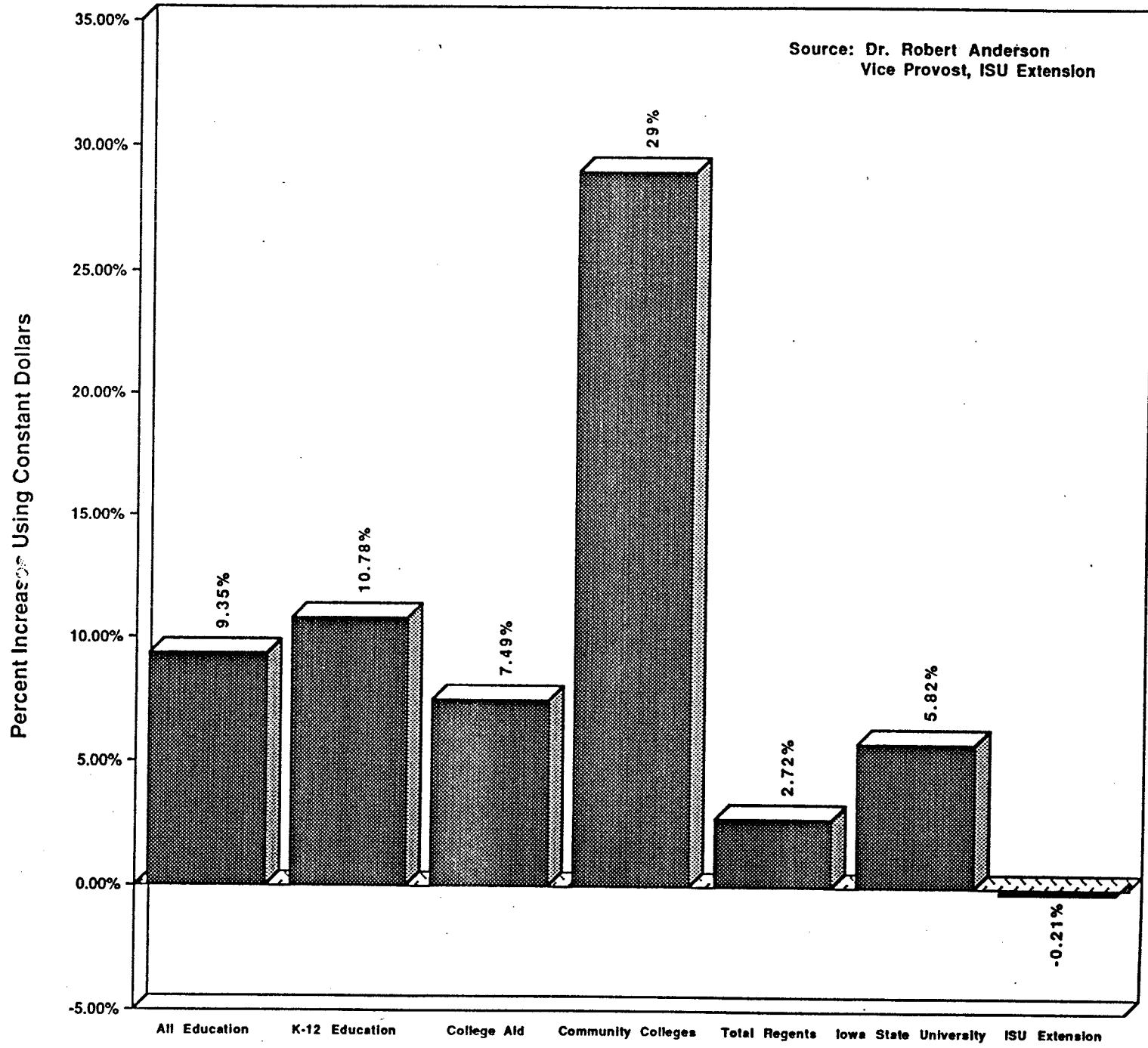
OPPORTUNITY INVENTORY
(in millions)

	FY 1993	FY 1994
Place colleges under Chapter 8	\$	\$
Eliminate increases of SF 2430	7.7	14.2
Make the 3.25 ATB permanent	3.4	3.4
Eliminate allowable growth	4.8	4.8
Eliminate growth in other cost centers	9.1	9.1
Establish a standard tuition rate	12.0	12.0
Change contact hours to credit hours		
Property tax option		
Eliminate supplemental funding for merged areas IV and XIV	.2	.2
or Maintain state aid at FY92 level	20.2	30.1

Percent Increases in Funding
Education Cluster
Base Year = 1983



PERCENT INCREASES FROM FY88 TO FY92 (7-2-91) IN CONSTANT DOLLARS



HIGHER EDUCATION ASSISTANCE

Background

The State of Iowa supports a variety of programs which provide various forms of financial assistance for higher education. One of these programs is the Iowa Tuition Grant Program which was initiated in 1969. The Tuition Grant Program offers need-based grants to Iowa residents enrolled at independent, nonprofit post-secondary institutions in the state. This program helps to equalize the tuition and fee costs at independent institutions and Regent universities, and provides students the option of choosing a private college or university education.

Opportunities/Analysis

The Tuition Grant Program was originally designed to financially assist Iowa resident students in private four-year Iowa colleges. The program has expanded beyond its original intent and now provides assistance to students in private two-year colleges and special schools.

Eliminate Private Two-Year Colleges And Special Schools From Participation In The Iowa Tuition Grant Program

Eliminating the program for the two-year colleges and special schools would reduce the cost of the program by approximately \$3.5 million. Such action would, however, restore the original intent of the program and continue to provide access and choice for Iowa resident students pursuing a traditional four year degree.

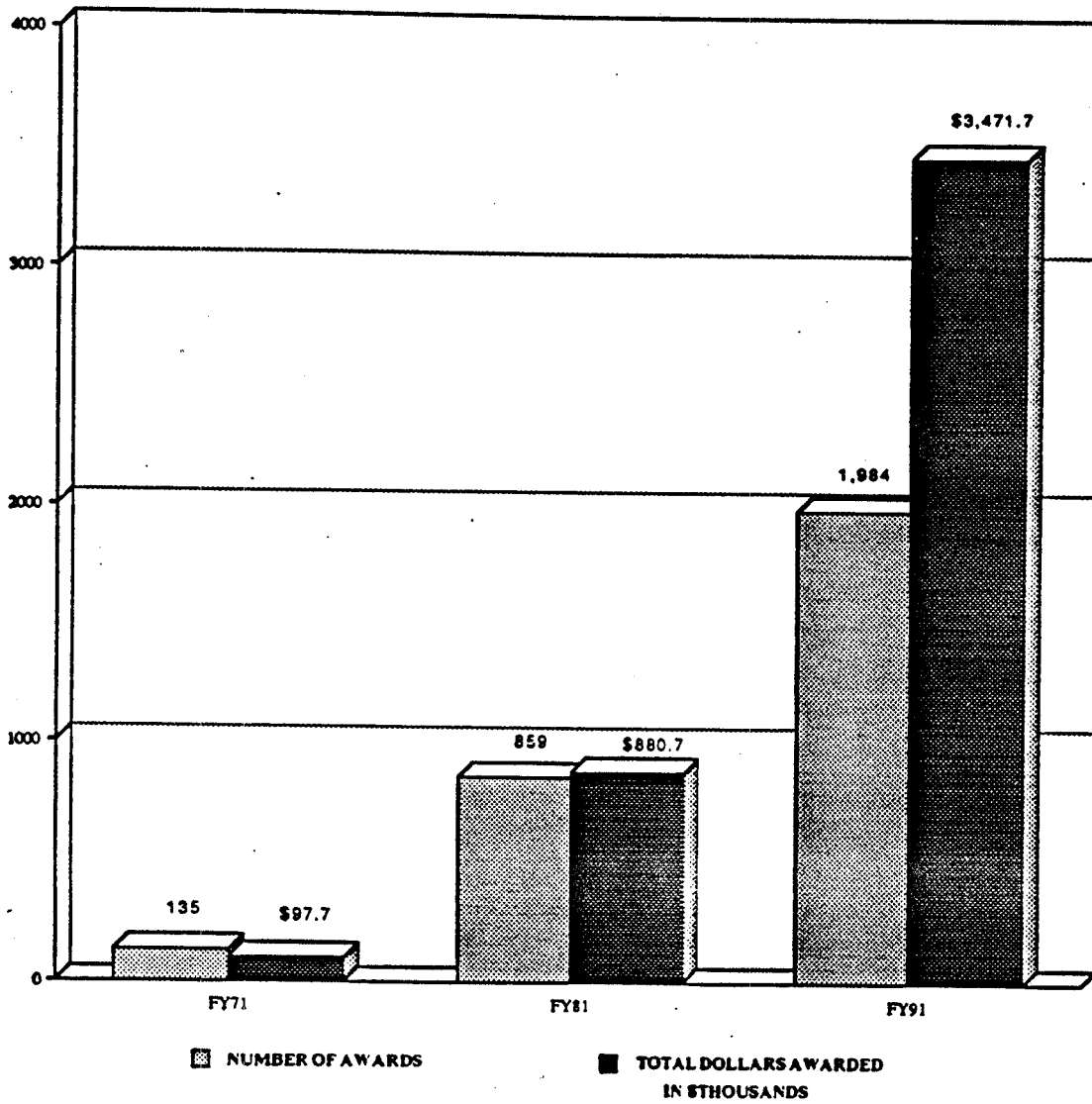
Fiscal Impact

OPPORTUNITY INVENTORY (In Millions)

	FY92	FY93
Eliminate Tuition Grant Programs At Private Two-Year Colleges and Special Schools	\$3.5	\$3.5

IOWA TUITION GRANT PROGRAM

PRIVATE TWO-YEAR COLLEGES AND SPECIAL SCHOOLS



REGENTS

Background

Even though the Regents institutions are conducting an internal review for cost savings, there are a number of opportunities for general fund savings that could be reviewed and implemented outside the scope of the internal review.

Opportunities/Analysis

Require Regents Institutions to Adequately Insure Themselves Against Tort Liabilities

Each year millions of dollars are spent as a result of lawsuits and settlements involving Regents institutions. The Iowa Code provides for payment of such actions from state general funds "not otherwise appropriated" (i.e. a standing unlimited appropriation). As a result, the incentive to minimize such costs is diminished because the actions do not affect the regent's state appropriations.

Amend the Code provision which provides for payment of tort liabilities involving Regents institutions from the state general fund. The Regents would purchase appropriate liability insurance from funds identified as savings in its internal spending reform program.

Require Regents Institutions to Financially Support the Board Office From Funds Appropriated to the Institutions

The primary goal of the Board Office of the Board of Regents is to provide all relevant information and effective review of all policies and proposals coming to the Board of Regents for consideration and to initiate studies and proposals as necessary or appropriate.

Because most all the Board Office's responsibilities involve the Regents Institutions, financial support for the Board Office should come from the institutions. Funding the Board Office in this manner would save the state general fund approximately \$1.2 million per year.

Reduce State Appropriations to Regents Institutions By A Percentage of The Amount Of Interest Earned By the Institutions

Regents Institutions earn significant interest income from the investment of available funds. A portion of these

available funds include state appropriations. The State general fund should receive "credit" for that portion of interest income which is the result of investing general fund appropriations. This "credit" could be realized in the form of reduced general fund appropriations.

Revert to the State General Fund 50% of the University
Of Iowa's Hospital's Annual Operating Profit

Each year the University of Iowa Hospital receives a significant state appropriation for the indigent patient program. In FY91, the appropriation was approximately \$29? million. At the same time the Hospital has shown significant operating profits, part of which is the result of income from the indigent patient program. In FY91, the Hospital profit was \$? million. A reversion to the state general fund of at least 50 percent of the Hospital's profits in future years would be appropriate.

**HUMAN SERVICES
OPPORTUNITIES**

Adopt Managed Care Statewide for Medicaid

Managed care is a health care cost containment strategy. Usually, Medicaid clients select the health care provider they use and the program reimburses the provider for services. Under managed care, Medicaid patients are assigned to either a physician or a Health Maintenance Organization (HMO). The manager's role is to act as a control on the patient's use of health care services and procedures.

Managed care has been found to be a moderately effective form of Medicaid cost containment. Iowa has piloted a managed care system in several metropolitan areas where HMOs are operational.

The FY 1993 Department of Human Services budget request indicates that enrolling 27,000 additional clients in managed care would reduce state Medicaid expenditures by \$325,000 to \$725,000 over the next two years. This represents about one tenth of the Medicaid eligible population and about a two percent cost saving for this group.

It is not likely that all Medicaid clients in Iowa can ever be enrolled in managed care programs. This is because the availability of health care options and HMOs is limited outside the metropolitan areas of Iowa. The Department of Human Services estimates that a total of 134,000 Medicaid clients could be enrolled in managed care. About 46,000 are enrolled now.

Proposal

Enroll 134,000 Medicaid eligibles in Iowa in a managed care program.

Impacts

- * Assuming that 88,000 new persons can be enrolled, the state cost savings would be approximately \$1.7 million per year. This amount cannot be realized quickly, however.
- * Patient choice will be limited when compared with the current program.

Timing

Since managed care agreements must be negotiated with providers, this proposal would take several years to implement. The majority of savings would not be available in FY 1993. Approximately \$325,000 could be saved in FY 1993 and \$725,000 in FY 1994. The full \$1.7 million could be saved after a period of about five years.

Use Provider Funds to Leverage Federal Medicaid Dollars

Thirty-eight states now utilize a form of "creative financing" to match federal Medicaid funds. Under this approach, hospitals and other health care providers such as nursing homes either voluntarily lend funds to the states or are taxed to help meet program costs or other health care needs. These funds are then used to obtain federal Medicaid funds. Since Medicaid funds match state funds at a two to one ratio, provider contributions or taxes are more than recovered through increased matching funds. Iowa is one of only 12 states that have not adopted such a plan. In effect, Iowa has lost federal funds it might have had as a result of not having adopted such a financing plan.

Among Iowa's neighbors, Illinois, Minnesota and Wisconsin all have provider tax systems in place. These programs generated \$275 million, \$52 million and \$16 million respectively in FY 1991.

Provider contribution and taxation plans work in different ways in different states, but an outline is as follows. A pool of provider funds is gathered from hospitals, nursing homes, doctors and pharmacies involved in the Medicaid program. The state then uses the pool to match federal funds. The original pool of funds is then returned to the providers. The net proceeds are used to support care for Medicaid clients.

Uses of funds yielded from this sort of approach vary from state to state. They are most often used to provide reimbursements for hospitals treating a disproportionate share of uninsured and Medicaid patients. However, they have also been used to forestall state Medicaid program cuts, cover administrative costs and increase reimbursements for nursing homes.

This sort of "creative financing" for Medicaid is not without controversy or risk. The federal Health Care Financing Administration (HCFA) has proposed new regulations which would restrict the way in which states get federal Medicaid matching funds. HCFA argues that provider financed plans represent a potentially large future budget exposure for the federal government. These regulations are intended to go into effect as of January 1, 1992; however, a Congressional committee that oversees the Medicaid program has strongly criticized HCFA's proposal and opposes any restrictions on state provider contribution or taxation plans. This is largely because of the huge budget exposure of several large states.

Proposal

Enact and put into place an Iowa Medicaid provider voluntary contribution or taxation plan. A plan which raised \$15 million in provider contributions or taxes could replace \$10 million in state funds and leverage approximately \$45 million in federal Medicaid funds. The original \$15 million in "seed money" would be returned to providers. (\$15 million is considered to be a feasible-sized plan for Iowa to start with).

Impacts (Assuming a \$15 million program)

- * Could offset the need for \$10 million in state general funds.
- * Two for one leverage of provider funds. Gain of \$30 million in federal Medicaid funds for each \$15 million in provider funds used.
- * Iowa's citizens get a better return on their tax dollars.
- * Funds leveraged must be used for the Iowa Medicaid program.

Example (Assuming \$15 in provider funds):

Private contributions	\$15 million
Federal match	\$30 million
Total Medicaid dollars	\$45 million

Dollars returned to providers	\$15 million
Federal share	\$10 million
State share	\$5 million

State costs avoided	\$10 million
Extra federal dollars leveraged	\$20 million

Legal Issues

It is very likely that the federal government will restrict provider financing in the next two years, but not eliminate it. It is also fairly likely that current guidelines will be extended until the end of the next federal fiscal year.

In order to avoid running afoul of new federal guidelines, any Iowa plan should be drafted carefully and conservatively. A plan in which provider funds make up less than 20 percent of the total Iowa Medicaid program should be accepted under likely federal guidelines and hold down Iowa's exposure to risk if provider financing is ever made illegal. It is also likely that a broadly-based provider tax not rebated to specific providers or classes of providers or tied specifically to Medicaid would best meet the future guidelines. A small-sized, broadly-based plan should also generate less intense opposition from providers.

Administrative Issues

A large number of administrative and collection issues would accompany adoption of a provider financing plan. Since Iowa health care providers have shown little interest in a voluntary contribution program in the past, it is assumed that a tax approach would need to be used in Iowa. This will take some time to implement; tax administration would best be handled by the Department of Revenue.

Timing

- * Enact during next legislative session.
- * Operational for FY 1993, provided a simple tax and administrative mechanisms can be devised.

Cut Optional Medicaid Eligibility Categories

The Medicaid program is a joint federal-state health care program that finances medical services for the poor. Medicaid costs have risen rapidly in recent years, partly as a result of new persons being made eligible for the program. In FY 1981, 221,133 persons in Iowa were eligible for Medicaid; by FY 1991, this figure had risen to 277,371, an increase of 25 percent.

Although the federal government mandates state coverage for most Medicaid participants, Iowa has chosen to add coverage for certain optional groups. These include "the 300 percent group", who are 10,600 residents of nursing homes with incomes up to 300 percent of the federal poverty level; and the "Medically Needy", 14,355 persons who have incomes above the federal poverty level, but large medical care expenses. Under the federal Medicaid program, state expenditures for these optional eligibility groups are matched at about a two to one ratio just like the mandatory parts of the program.

State expenditures for costs related to optional Medicaid eligibility groups are estimated to be approximately \$33 million in FY 1993.

Proposal

Cut all optional Medicaid eligibility categories.

Impacts

- * A savings of \$33 million in FY 1993 and beyond.
- * Loss of approximately \$60 million in federal Medicaid matching dollars.
- * Loss of Medicaid coverage for more than 25,000 persons.
- * Loss of up to \$93 million in medical services and income to medical providers.
- * Some shift in medical costs to third parties, e.g. counties.

Cut Optional Medicaid Services for Mandatory Eligibility Categories

The majority of all Medicaid participants in Iowa are included in groups whose participation is mandated by the federal government. This includes certain recipients of federal and state income assistance, and pregnant women, infants and children in impoverished families. Most of the health care coverages provided to these groups are mandated by the federal government. However about \$29.5 million in state funds will be spent in FY 1993 on services that Iowa has chosen to add to the program. These optional services are shown on the attached page. Iowa has one of the broadest packages optional services among the states.

Proposal

Cut all optional Medicaid services for mandatory eligibility categories.

Impacts

- * Although nearly \$30 million in state funds will be expended in FY 1993 for optional services, eliminating these services will not save \$30 in state costs. This is because Medicaid recipients will choose alternative services that are still on the covered list. For example, if chiropractors are not covered, patients will seek treatment from physicians, who are covered. It is estimated by the Department of Human Services that about \$15 million could be saved once shifting is accounted for.
- * Loss of about \$23 million in federal matching funds, accounting for service shifts occur.
- * Since counties are responsible for medical aid to the indigent under Code of Iowa Chapter 252, they would become liable for a portion of \$38 million in medical care costs no longer covered by federal or state funds. Optional services involving mental health, equipment and supplies, vision, dental, ambulance services and prescribed drugs would be the most likely to be shifted to the counties. These make up the majority of the optional services.
- * Loss of medical services and provider income less than \$38 million.
- * Some shifts of medical care costs to other third parties.

OPTIONAL MEDICAID SERVICES AVAILABLE IN IOWA

Clinic Services
Maternal Health Centers
Durable Medical Equipment and Supplies
Rehabilitation Agencies
Physical Therapists
Dental
Optometric
Podiatric
Psychologists
Ambulance
Mental Health Centers
Birthing Centers
Prescribed Drugs

Decategorize Foster Care/Change Spending Mix/Cap Group Homes

The Foster care program provides temporary substitute care for children who are unable to remain in their own homes. It also offers services to aid with permanent placement of children in alternative living arrangements. Foster care services are provided directly by the Department of Human Services or purchased from private providers or families. The major source of funding for foster care is the State General Fund, although some federal sources are also involved.

State expenditures for foster care have been growing at a steady rate of \$5 to \$8 million per year over the past several fiscal years--a percentage increase of ten percent or more each year. Caseloads have been increasing at about five percent per year. Between FY 1981 and FY 1991, state foster care expenditures mushroomed from less than \$20 million per year to nearly \$60 million per year. They will be nearly \$66 million in FY 1993.

Foster care is provided through a mix of placements that includes group homes, shelters and in-family services. (A small number of children are in juvenile institutions). The costs per child associated with group homes are very high--they will be about \$28,100 per full time equivalent year in FY 1993. On the other hand, placing a child in family foster care will cost only about \$8,300 per FTE year in FY 1993. Even "needs based" family care, which provides a bonus to families caring for difficult children, costs far less than group home care. It is also argued that family care is, when available, better quality care and less restrictive than group home care.

Proposal

Significant foster care cost savings and service improvements could be achieved by relying less on higher group homes and relying more on family care and needs-based care. Since the cost differences per child are quite large, so potential savings from any shifts in the service mix could also be large. For example, for every 40 children who can be shifted from group homes to foster care families, a net savings of over \$600,000 per year could be realized. This is not an unreasonable expectation for the first year of a long-term effort to shift kids toward foster families and in-home care.

One reason the foster care system tends to utilize higher levels of treatment than may be necessary is that state funds are "pigeonholed" into care categories. Institutions, group homes, families and other types of providers are funded through separate pots of money either through appropriation or administration. Funding streams are too rigidly controlled. A recent pilot project in Scott County indicates that the system is capable of operating much more efficiently if the multiplicity of applicable funds are "decategorized" and regional or local decision makers decide the type of care appropriate for each child and use a flexible fund to finance care.

Under "decat", use of institutional treatments has declined about 20 percent, while use of less expensive treatments increased. Although the Scott County "decat" pilot was not designed to save money, but instead to provide improved service. Even so, savings of about 10 percent appear to have been realized versus the original DHS allocation for FY 1990 through changes in the mix of services used. This should be the long-term goal of efforts to reform the foster care program.

Detailed Proposal

- * Begin a shift of children from group care to needs based and other family foster care, starting with 40 kids in FY 1993 and 30 more in FY 1994. Continue to add at least 30 more per year until a reduction of 20% in the group home annual caseload (about 350) is attained.
- * Cap the number of group homes at the FY 1993 level.
- * Adopt foster care decategorization statewide as a means of more flexibly dealing with increasing caseloads and slower spending growth.
- * Consider the continued need for remaining juvenile institutions once decategorization has been fully implemented.
- * Increase funding of family preservation services as a way of reducing the need for foster family care services. ("Move down the pyramid").

Impacts

- * Anticipated savings of approximately \$1.1 million in FY 1993 and \$1.6 million in FY 1994.
- * No loss in federal matching funds.
- * No losses in service. Potential for improved service to youth.

Timing

- * The Scott County decategorization pilot was planned and implemented during a nine month period, so that part of this proposal would take at least two fiscal years to implement.
- * Changing the program mix can be begun in FY 1993. A 20% reduction in group home use would take about ten years to accomplish.

Foster Care Mix Change Detail (\$ millions)	FY 93	FY 94
Group care decrease (40 cases in FY 1993)	-1.071	-1.875
Needs-based care increase (40 cases)	+0.453	+0.795
Cap group care facilities at FY 1993 level	-0.000	-1.018
Family care decrease	-1.063	-1.066
Family preservation projects increase	+0.599	+0.599
TOTAL PACKAGE	-1.082	-2.565

Adopt A Mental Health Funding Formula

Background

Funding for mental health activities in Iowa has traditionally been the responsibility of the counties. (This is unusual. Iowa is the only state in which counties bear this responsibility). In recent years, mental health costs borne by the counties (including costs for mental retardation developmental disabilities) and have increased rapidly. These costs are financed through county property taxes. During the 1985 session of the 71st General Assembly, a provision was enacted that requires the State to assume responsibility for funding all cost increases for county mental health activities. This was intended as a means of property tax relief. (Eventually, a gradual transition was to have been made to all state funding). Unless a funding formula is adopted in the next legislative session, this provision will become effective in FY 1993.

Proposal

Adopt a formula that funds county mental health activities at the FY 1992 level, with no provisions for increases in FY 1993 and beyond. The FY 1992 appropriation for this purpose was to have been \$10.7 million, although the actual funds provided to counties for mental health programs were less than this due to cuts in other programs. These cuts were used to fund higher costs of operation at DHS institutions. The approximate actual amount of new funds going to the counties was about \$6 million.

Along with any reduction in state funds to counties must come a loosening of state mandates and requirements. Some of these were put in place at the time the property tax relief plan was passed in 1985.

Impacts

- * Savings to the General Fund of \$15-\$20 million in FY 1993--this is the anticipated increase in county mental health costs for FY 1993 over FY 1992.
- * State funding of county mental health activities would continue at \$10.7 million per year--the FY 1992 level.
- * Costs for county mental health services are expected to increase by at least 10% per year for the foreseeable future, so state savings from this proposal would be continuous and would increase dramatically each year beyond FY 1993.
- * Because the cost growth to be assumed by the state was to have been cumulative, the savings for FY 1994 would be at least \$35-\$42 million--the FY 1993 growth plus the FY 1994 growth.
- * No loss in Federal matching funds.
- * Property tax levies in counties would need to be higher than would be the case if the state covered all cost increases. However, no actual decrease in state aid would occur. Counties would be "held harmless" at the FY 1992 level of aid.
- * No impact on client services if counties fund increased costs.

Timing

- * Will require legislation in the upcoming legislative session to appropriate funds and provide for a distribution formula.
- * Savings could be realized in FY 1993 and subsequent years.

Related Issues

A growing portion of county mental health costs is for patients in intermediate care facilities (ICF/MRs). Daily patient costs for ICF/MRs in Iowa (an average of \$176) are much higher than those for comparable facilities in Illinois (\$84), Minnesota (\$88) and Wisconsin (\$116). Unlike in Iowa, the state bears the full cost for these patients and there may be greater incentives for cost containment. The state of Iowa should take action to contain these costs even if they continue to be borne by the counties.

This issue is also linked with the "Bill of Rights" for mentally retarded, mentally ill and developmentally disabled persons passed by the legislature in 1985 (Code Chapter 225C.25-29). These rights are, in effect, mandates from the state to the counties and increase their cost of providing services. The Bill of Rights was enacted along with the provision for the state to adopt a funding formula for mental health activities.

Other Long-Range Human Services Opportunities

1. Seek Health Care System Reforms

Virtually all experts agree that the US health care system is broken and needs to be fixed. Costs are out of control and a large number of poor people are uninsured and lack access to basic health care. The system is in need of complete reform. However, most observers believe that reform is several years away. Iowa should consider an intermediate alternative to national health care reform, e.g. a plan similar to that developed and proposed by the State of Oregon. The Oregon explicitly rations medical care but also extends health care coverage to all citizens of that state. It is a system reform proposal rather than a way for the state to save money.

Iowa should also work for simplification of the federal medicaid programs. The recent explosive growth in state Medicaid costs is largely due to new eligibilites mandated by the federal government since 1985. Iowa should continue to oppose new program mandates or the conversion of optional coverages to mandates.

Strategy: Complete a thorough review of the Iowa health care system, giving consideration to reforms such as Oregon is proposing to adopt.

2. Make Human Services Service Delivery Improvements

The current system of delivering human services in Iowa is overly complex, both in terms of actual programs and funding streams. The delivery system needs to be redesigned from the client up. Service delivery should be based on client needs, not funding categories. "One stop" service centers should be established and services with similar customer groups integrated and delivered at the same location. Technology should be utilized to improve customer service and improve administrative efficiency. Red tape should be cut and programs decategorized to the extent possible.

Human services are best delivered "close to the customer" by local or regional public or private providers. The role of the state should be to serve as a "wholesaler", promoting improved local services, as opposed to being a direct provider of human services. Along with funding for human services programs should come the accountability for getting the job done. Local and regional providers need to be held accountable for results.

An improved and streamlined human services delivery system should require significantly less administrative overhead than the present system due to reduced layering and program simplification.

Strategy: Develop an integrated human services delivery plan that redesigns and simplifies the current system.

3. Expand "Welfare to Work" Efforts When Funds Are Available

The Family Development and Self-Sufficiency (FaDSS) program is an innovative pilot program that encourages the development of self-sufficiency of ADC families. Families in 18 Iowa counties are now participating in FaDSS. The average length of participation for each family in FaDSS prior to graduation is 18 months. During this time, each family is provided with comprehensive advice and assistance to help the head of household make the transition from welfare to work.

Early experience indicates that state public assistance payments to successful FaDSS graduate families are reduced by about \$3,400 annually. These savings come in the ADC, foster care and Medicaid programs. The program costs about \$1,800 per year per family to operate.

Proposal

Expand FaDSS statewide from a 500 case pilot to a statewide program with about 5000 cases. Since this will take additional funds up front, it should only be contemplated when Iowa's budget crisis is averted. This will also give more time for pilot efforts to be evaluated.

Impacts/Timing

Implementing this proposal represents a tradeoff. A large investment is required in the first two years to yield a larger return in later years:

FY	Cost	Savings	Net Savings
1	\$8.7m	\$0m	\$(8.7m)
2	\$6.1	\$4.9	\$(2.2)
3	\$4.4	\$8.2	\$3.8
4	\$2.6	\$11.5	\$8.9
5	\$0	\$16.5	\$16.5
Total	\$21.8	\$41.1	\$15.3

This does not include any savings of federal or local dollars or any positive impacts on taxes due to increased employment.

**ALTERNATIVE FUNDING
OPPORTUNITIES**

AREA/ISSUE:

Reallocate the motor vehicle use tax from the Road Use Tax Fund to the General Fund.

BACKGROUND:

The Motor Use Tax contributes approximately \$97.5 million to the Road Use Tax Fund. The fund operates to support a strong and extensive transportation system. The level of commitment is demonstrated by the following facts:

- . While ranking 25th in land area among the states, Iowa's ranks 10th nationally in miles of roads.
- . Iowa's road system contains an extensive bridge network which ranks 3rd in the country.

The Motor Vehicle Use Tax is made up by revenues generated through a four percent tax levied on the purchase of new motor vehicles used in Iowa. It is the equivalent of a sales tax, but also covers new vehicles purchased outside of Iowa but brought into Iowa for use. Motor vehicle use tax revenues were approximately \$124 million in FY 1991. Approximately \$97.5 million of that was transferred into the Road Use Tax Fund. These funds were distributed 47.5 percent to the state, 32.5 percent to the counties and 20 percent to the cities. The remainder was used to fund the Underground Storage Tank Fund, the state public transit program and other transportation-related programs.

The existing policy of the state is to maximize the amount of federal highway dollars attracted to Iowa and to minimize the need to borrow funds for the purposes of highway construction. Due to the fact that federal highway legislation is still pending, estimates of federal highway funds that will be available to Iowa are preliminary. However, given currently available information, Department of Transportation officials project Iowa's federal fund allocation will increase from \$153 million for FY 1992 to \$276 million by FY 1996.

Iowa is one of approximately 10 states that allocates all or a portion of the use tax or similar taxes to its road fund. Unlike fuel taxes and vehicle registration fees, the use tax on motor vehicles is not considered to be constitutionally dedicated for highway purposes in Iowa.

OPPORTUNITY/ANALYSIS:

Reallocate a portion of the use tax on motor vehicles to the state General Fund, subject to the limitations described below. In each case, revenues reallocated from the use tax would be used either to retire the state's GAAP budget deficit, build an Emergency Reserve Fund and to improve Iowa's physical infrastructure.

Option A

Reallocate \$97.5 million of the use tax for two fiscal years (a total of \$195 million) to retire the GAAP deficit and to start building an emergency fund equivalent to 3 to 5 percent of the General Fund (about \$100-\$150 million). After two years, use the \$97.5 million to 1) continue to build the Emergency Reserve Fund, and 2) address the needs for Iowa's "vertical" infrastructure, e.g. public buildings.

Option B

Reallocate \$50 million of the use tax for four years to retire the GAAP deficit and build the Emergency Reserve Fund. Then in the fifth year continue to build the reserve fund to a level of 3-5% of General Fund expenditures. Also, in the fifth year return the balance of the use tax revenue stream to the Road Use Tax Fund or use the funds to address needs for vertical infrastructure.

Of the two proposals the Task Force recommends Option B. This plan allows for funding the GAAP deficit while building a reserve fund in an efficient manner. Following these actions the funds could be reverted to the Road Use Tax Fund or continue to supplement the reserve fund or to be applied to the vertical infrastructure needs. Important to the basic proposal Option B allows the state to capture all of the federal highway dollars to which it is entitled if a minimum amount of carryover of federal projects are planned for fiscal 1996.

Alternative Funding Planning:

Even if the state would fall short of its match requirements several options are available to the Department of Transportation, as well as to Iowa's cities and counties, which may be employed to reduce the possible loss of federal funds if the motor vehicle use tax is transferred to the General Fund. These include: 1) the state could change the assessment of registration fees on pickup trucks to be consistent with the formula used to determine fees for other classes of motor vehicles which would yield approximately an additional \$25 million of fees per year for the Road Use Tax Fund, 2) historically motor fuel taxes have increased to keep pace with the cost of road construction and maintenance which would indicate an increase of from 2 to 3 cents per gallon sometime during the next five years, or from \$30 to \$45 million in additional revenues per year, 3) the state could refocus more of its construction activity to the interstate highway system over the next several years which would reduce the amount of required state match for federal funds, and 4) slowdown some major corridor development projects and carryover a share of its

federal fund allocation to future years. Elimination of some existing programs, such as the local development portion of RISE, public transit assistance, and the recreational trails program, could provide additional funds to meet the state match requirement for federal highway funds. In addition, changes in state law to limit tort liability awards may free up additional Road Use Tax Fund dollars.

FISCAL IMPACT:

Reallocation of the motor vehicle use tax to the General Fund as proposed in the General Fund would provide nearly \$200 million in funding for use in retirement of the GAAP deficit and creation of an emergency reserve fund for fiscal years 1993-1996.

Funding Assumptions Based on State and Federal Aid
 Anticipated Revenue 1992-1996
 (\$ millions)

OPTION B

	1992	1993	1994	1995	1996
Anticipated federal-aid available	153	173	199	226	276
State funds required to match (assumes 20% match ratio)	38	43	50	57	69
Total state funds available (Includes RISE)	342	348	352	361	369
Less state share of use tax	0	(24)	(24)	(24)	(24)
Remaining state funds	342	324	328	337	345
Less states funds needed for Administration and Maintenance	(207)	(214)	(221)	(230)	(238)
Funds remaining for state projects & federal match	135	110	107	107	107
Less minimum level of state projects	(39)	(39)	(39)	(39)	(39)
Funds remaining for federal match and other state funded projects	96	71	68	68	68
1. Funds required for formula federal match*	38	43	50	57	69
2. Funds remaining for state projects or (shortfall)	58	28	18	11	(1)
3. Federal-Aid construction which cannot be completed due to shortfall in matching funds available	--	--	--	--	(5)
4. Lost federal-aid funds due to shortfall in matching funds available	--	--	--	--	(4)

*Does not include match for any special federal-aid projects

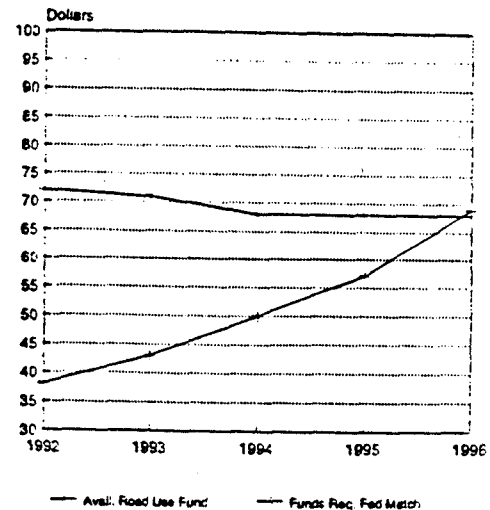
OPTION B

Line - 3: \$5 million added for State's share of Road Use Tax Fund savings due to spending reform recommendations.

Line - 4: Reallocate \$50 million of the Use Tax for four fiscal years to retire the GAAP deficit and build the emergency reserve fund. Then either return the Use Tax revenue stream to the Road Use Tax Fund or use the funds to address needs for vertical infrastructure.

Line - 8: No change

Federal Funding Requirements
 And Available Road Use Funds



Funding Assumptions Based on State and Federal Aid
 Anticipated Revenue 1992-1996
 (\$ millions)

OPTION A

	1992	1993	1994	1995	1996
1. Anticipated federal-aid available	153	173	199	226	276
2. State funds required to match (assumes 20% match ratio)	38	43	50	57	69
3. Total state funds available (Includes RISE)	342	348	352	361	369
4. Less state share of use tax	0	(46)	(46)	(46)	(46)
5. Remaining state funds	342	302	306	315	323
6. Less states funds needed for Administration and Maintenance	(207)	(214)	(221)	(230)	(238)
7. Funds remaining for state projects & federal match	135	88	85	85	85
8. Less minimum level of state projects	(39)	(39)	(39)	(39)	(39)
9. Funds remaining for federal match and other state funded projects	96	49	46	46	46
10. Funds required for formula federal match*	38	43	50	57	69
11. Funds remaining for state projects or (shortfall)	58	6	(4)	(11)	(23)
12. Federal-Aid construction which cannot be completed due to shortfall in matching funds available	--	--	(20)	(55)	(115)
13. Lost federal-aid funds due to shortfall in matching funds available	--	--	(16)	(44)	(92)

*Does not include match for any special federal-aid projects

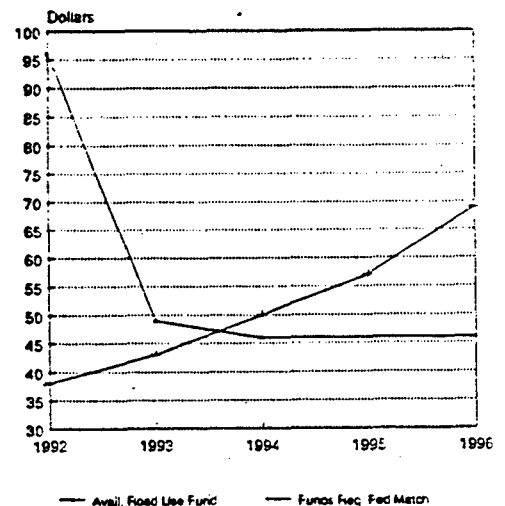
OPTION A:

Line - 3: \$5 million added for State's share of Road Use Tax Fund savings due to spending reform recommendations.

Line - 4: Beginning in FY 93 reallocate \$97.5 million of the use tax for two fiscal years (a total of \$195 million) to retire the GAAP deficit and to start building an emergency fund equivalent to 3 to 5 percent of the General Fund (about \$100-\$150 million). After two years, use the \$97.5 million to 1) continue to build the Emergency Reserve Fund, and 2) address the needs for Iowa's "vertical" infrastructure, e.g. public buildings.

Line - 8: No change

Federal Funding Requirements
 And Available Road Use Funds



Issue:

Property Exempt from Property Taxation

Background:

Under state law local property tax is levied against real property. There are, however, a variety of exemptions granted to property based on ownership or use of the property.

- * In 1990, total market value of real property was \$83 billion.
- * By definition, tangible and intangible personal property is exempt.

Opportunity:

The assessment and placement of a charge or property tax on currently exempt property may provide a revenue source for local governments. The amount of basic levy would be established based on the property tax collections currently levied for basic services.

Establishing the potential of the basic levy requires estimation of the valuation of such property. While such assessments are reported to the state for specific classes of property the use of the valuation data is subject to limitations in several areas.

- First, major classes of property are not assessed. These include government property, including local schools, as well as all intangible and tangible personal property.
- Second, due to the exempt status of the property the level of accuracy involved in the assessment varies throughout the state.
- Third, due to the special nature of various property such as churches and facilities used for entertainment, accurate assessments of the market value may be difficult.

Fiscal Impact:

Based on 1990 assessments the total exempt property valuation in the state exceeded \$6.3 billion. Under the concept of levying for basic city services a charge of \$4.57 per thousand of taxable valuation could generate approximately \$28.8 million.

An alternative to state mandated levy would be to allow local governments the option to impose the charge subject to voter approval or action by governing body.

Finally, since valuations on certain classes of property are difficult to establish, it may be that alternatives to market value may be more effective. For example, determining the taxable value based on the value established for insurance purposes could be appropriate.

ASSESSED VALUE OF EXEMPT REAL PROPERTY
BY TYPE OF EXEMPTION

CLASS OF EXEMPT PROPERTY	1990 ASSESSED VALUE (\$MILLIONS)
EXEMPT PROPERTY SUBJECT TO VALUATION	
1. EDUCATIONAL PURPOSES	\$606.4
Does not include government owned facilities	
2. RELIGIOUS, LITERARY AND CHARITABLE SOCIETIES	\$2,793.4
Religious Institutions	\$1,659.8
Literary Societies	\$18.9
Associations of War Veterans	\$18.9
Fraternal Associations	\$61.1
Agricultural Societies	\$22.1
Hospitals	\$717.8
Retirement Homes	\$180.3
Nursing Homes	\$114.5
3. MISCELLANEOUS	\$490.9
Low Rent Housing	\$205.3
Pari-mutel racetracks	\$67.1
Other	\$218.5
ASSESSED VALUE OF EXEMPT PROPERTY	\$3,890.7
OTHER PROPERTY SUBJECT TO SPECIFIC EXEMPTION	
4. LOCALLY AUTHORIZED	\$441.1
Urban Revitalization	\$270.5
Industrial Property Moratorium	\$170.6
5. SPECIFIC USE	\$1,935.4
Pollution Control	\$192.9
Agricultural Impoundments	\$1.0
Natural Conservations	\$11.8
Forest and Fruit Tree reservations	\$76.7
Industrial Machinery & Computers	\$1,653.0
ASSESSED VALUE PROPERTY SUBJECT TO SPECIFIC EXEMPTION	\$2,376.5
ESTIMATED ASSESSED VALUE OF EXEMPT PROPERTY	\$6,267.2
EXEMPT PROPERTY NOT SUBJECT TO VALUATION	
6. GOVERNMENT OWNED	
7. PUBLIC GROUNDS AND CEMETERIES	
8. CULTURAL OR ENTERTAINMENT USES	

Issue:

Reduction of the State's GAAP Deficit

Background:

The State has accumulated a General Fund deficit under Generally Accepted Accounting Principles (GAAP) of \$132 million for fiscal year 1990, and an estimated deficit of \$296 million for fiscal year 1991. Currently, the State has a statute that requires the GAAP deficit to be eliminated by fiscal year 1992, on a phased in schedule.

Opportunity:

GAAP standards are constantly evolving, with a major revision planned to be effective in fiscal year 1995. These revisions are currently estimated to materially reduce the GAAP deficit. For fiscal year 1991 the estimated GAAP deficit would be reduced from \$296 million to \$120 million. With this revision forthcoming, the State should develop a plan focused on the elimination of the estimated \$120 million deficit by fiscal year 1995, and the prohibition of future GAAP deficits.

Fiscal Impact:

The State would need to build a General Fund reserve equal to the GAAP deficit by fiscal year 1995, or will need to "buy back" expenditures that are currently charged to the wrong fiscal year. Both of these methods would have an estimated \$120 million impact upon the State's General Fund.

Issue:

Analysis of Tax Expenditures

Background:

Under Iowa tax structure revenue is foregone as the result of a variety of tax exemptions, deductions or tax credits. The amount of revenue not collected as a result of these tax expenditures could be studied as a means to identify future funding sources.

Opportunity:

Complete a study of tax expenditures to identify characteristics of the various expenditures as well as to estimate the amount of foregone revenue. Certain of the tax expenditures were enacted for specific purposes or to address specific characteristics of the tax structure. Changes in Iowa's tax structure as well as the characteristics of the Iowa economy may justify a review of these tax expenditures.

Fiscal Impact:

The potential fiscal impact is undetermined.

**LONG RANGE FINANCE RESTRUCTURING
OPPORTUNITIES**

Issue:

Local Government Restructuring and Property Tax Containment

Background:

Approximately 24 percent of the nearly \$2.0 billion in property taxes levied in the state are levied by county governments. Similarly, approximately 27 percent of nearly \$241 million in state funded local assistance will be provided to county governments in fiscal 1993.

Recommendations developed by the Intergovernmental Relations (IGR) Task Force provide the opportunity for county governments to achieve operating efficiencies through consolidation within a county as well as the sharing of selected responsibilities with regional governments. It is estimated that approximately \$31 million to \$36 million in efficiencies may be achieved for county governments depending on the level of implementation.

Opportunity:

The efficiencies proposed by the IGR Task Force provide opportunities in three areas. First, insuring the savings are passed on to property taxpayers in the form of lower property taxes. Second, the opportunity exists to provide incentives for local governments to increase funding for other programs if a portion of savings achieved by local governments are retained by these governments. Third, a reduction in state funding of various assistance programs will be achieved.

The program developed would consist of three components. Operating efficiencies achieved by consolidation or restructuring under the IGR proposals would be estimated and reported to a board comprised of state and local officials established to review the implementation of the efficiencies. The estimated savings would be allocated as follows:

- 50% would be required to be reflected in reduced property tax levies,
- 25% would be reflected in a reduction in state funded local assistance,
- As an incentive to maximize the level of savings, counties would in effect be allowed to utilize 25% of the estimated savings for other operating programs.

If the Review Board determines that a reasonable level of efficiencies were not achieved, they may utilize options to include freezing of tax levies in subsequent years and the further reduction in state assistance to maximize the achieving of such efficiencies.

Fiscal Impact:

Depending on level of operating efficiencies achieved at the local level maximum savings to taxpayers could range between \$16 million and \$18 million. Reduction in state expenditures of up to \$9 million could be realized.

Opportunity

Develop guidelines for determining which state funds should retain their investment earnings and which earnings should be credited to the State General Fund.

Savings/Cost

Unless specifically noted in the Code of Iowa, investment earnings and interest from state funds is credited to the General Fund. However, a large number of funds retain their investment earnings by virtue of specific Code language. The legislature may decide to credit interest earnings to a fund based on any criteria. Decisions can be the result of skillfull bill drafting and lobbying. Although this issue was explored several years ago and changes were made, some limited gains (probably well under \$0.5 million per year) might accrue to the General fund by reviewing it once again.

A set of criteria should be developed to guide future legislative decisions regarding crediting fund investment income. It should consider items such as the original source of funds, whether the activity is an enterprise and constitutional constraints on crediting interest to the General Fund (i.e., in the case of highway funds).

Advantages

Potential small gain to the General Fund at little or no cost. Guidelines would be in place for any future decisions.

Disadvantages and Barriers

Potential for intensive lobbying from interest groups if extensive changes in investment earnings crediting are proposed.

Opportunity

Encourage greater use of pooling for investment of funds balances by local government units in Iowa.

Savings/Cost

Several alternative means of encouraging more local funds pooling are available. Existing privately managed funds pools available to local governments include IPATE and ITRUST. These funds manage about 10-20% of Iowa's local funds deposits now. Code changes could be made to allow additional money market and bond funds to offer their products to local governments more readily. Neither of these options would have any cost to state government. Most state funds are pooled already by the State Treasurer's Office.

A more sweeping alternative could involve creating a state-managed funds pool combining state and local funds into one pool--"One Bank". This alternative would only work well if a single state/local accounting, pre-audit and warrant system could be put in place. Costs and benefits of this alternative would need to be carefully considered. No savings or costs for the "One Bank" concept can be estimated without further definition and study.

Advantages

Funds pooling allows for more professional management of funds. Potential gains would be largest for those local entities which are currently the least sophisticated money managers. Large fund pools are able to diversify their portfolios into longer term government securities, thus increasing the overall investment yield. Since there are large economies of scale in cash management, administrative costs per dollar of investment decrease substantially as funds are pooled. Funds pooling should not be thought of as a tool that can improve the cash flow of member organizations in the pool since intrafund borrowing must always be balanced by interest payments.

Disadvantages and Barriers

Local government officials and treasurers may resist pooling due to a perceived loss of control over funds. Local bankers may resist due to a potential loss of deposits from local governments. The current system tends to favor locally depositing funds in short-term CDs. The "One Bank" option would require expensive development of uniform accounting and other financial systems. Some additional administrative costs would be involved in creating a combined state/local funds pool, however they would not be large.

Opportunity

Develop a uniform financial reporting system for all units of government and government enterprises in Iowa. Consider developing a uniform financial accounting system for all units of government in Iowa.

Savings/Cost

A financial reporting system would be the least expensive of the two options. It would not be intended to save money, but instead to provide more reliable data for statewide planning and policy analysis. It could be developed as a team project with local governments and be completed within five years. A uniform financial accounting system would be far more expensive and time consuming to develop. However, this option would also have the potential to save large amounts of duplicated financial management costs.

The best alternatives in consolidation of financial accounting operations may involve regionalizing similar financial operations. For instance, the financial operations of a group of school districts, or cluster of counties or set of governments in a metro area could be combined to realize economies of scale.

Advantages

Improved management information for state government.
Ability to determine aggregate spending for government activities and to accurately eliminate transfers from one level to another.
Potential cost savings from uniform accounting or consolidated financial operations.

Disadvantages and Barriers

Up-front costs. Small for a reporting system, large for a full-blown accounting system.
A time consuming project for both state and local governments.
Requires a great deal of negotiation and teamwork.

ADDENDUM

To Public Finance Task Force
Report of November 18, 1991

Based on final task force meeting of November 20, 1991

EDUCATION

Kindergarten - 12th Grade Funding

One of the opportunities identified in the final Task Force report is to base the school funding formula on an average student-to-teacher ratio of approximately 20.4 to 1. If adopted, the Task Force offers the following recommendations:

1. The Task Force recommends the maximum K-12 classroom size should be around 28.
2. In addition, the Public Finance Task Force recommends that Booz-Allen conduct an analysis of the impact on local school districts of implementing the student/teacher ratio funding opportunity.
3. And, finally, the Task Force recommends a consultant be hired to help implement the new student/teacher ratio funding formula.

Regents

The Iowa Board of Regents has effectively excluded itself from the Governor's Spending Reform Committee process. They have done this by providing only limited financial and program information and by failing to attend task force meetings. The Regents justify their exclusion from the process on the basis of prior and current spending reform programs within the Regents' institutions. The Regents maintain that programs and procedures have been or are being reviewed and savings have been identified. However, all information has not been given to the Public Finance Task Force which identify these savings.

The Public Finance Task Force recognizes the internal cost savings efforts of the Board of Regents but the Task Force also recognizes the Regents are not the only state agency that has been cutting costs and re-prioritizing programs over the last several years. These other state agencies are not, however, excluded from the current process. It is the recommendation of the Public Finance Task Force that in the absence of more comprehensive information on programs and purported cost savings, the state general fund appropriations for the Regents' institutions be reduced by 10%. In addition, the Task Force recommends the opportunities outlined on pages 31 and 32 of the Public Finance Task Force's final report.

Higher Education Assistance

The Public Finance Task Force feels the opportunity identified in the Higher Education Assistance needs additional study. The complete impact of the opportunity has not been identified. If, after further study, it becomes apparent the opportunity is misguided, the Task Force recommends a 10% reduction in all the programs of Higher Education Assistance administered by the Iowa College Aid Commission to arrive at a more appropriate spending level in this area.

Community Colleges

Members of the Task Force were supportive of the opportunities identified for community colleges but wanted to clarify a couple of issues.

Senate File 2430 Revisions

The increases resulting from SF 2430 noted on the time line on page 23 of the report are based on the following assumptions:

1. The formula is fully funded under existing law.
2. The allowable growth is 4%.
2. There is no growth in contact hours.

The fact that no growth in contact hours is factored into the formula would tend to make the increases presented very conservative. For FY 92, the legislature appropriated as if the formula were fully implemented and then backed out certain line items to reduce the appropriation to the funding available. Doing the appropriation in this manner tends to benefit some colleges more than others.

Formula Components

The increases of SF 2430, the across the board reduction, the allowable growth, and the other cost centers are interactive parts of the community college funding formula. Changing one of them will net the dollar amount noted, but will net different dollar amounts. Specific scenarios of the formula with specific criteria would have to be run to determine the exact amount saved.

HUMAN SERVICES

Members of the Task Force were supportive of the Medicaid opportunities related to managed care and use of provider funds to leverage federal aid. Both the Human Service Sub-Task Force and the Public Finance Task Force expressed concern about the impacts of the two Medicaid proposals having to do with eliminating optional portions of the Iowa program. Concerns were expressed about loss of medical services to needy and about cost shifts to county government and other third parties. These two packages were not generally supported except as a last resort due to their severe impacts.

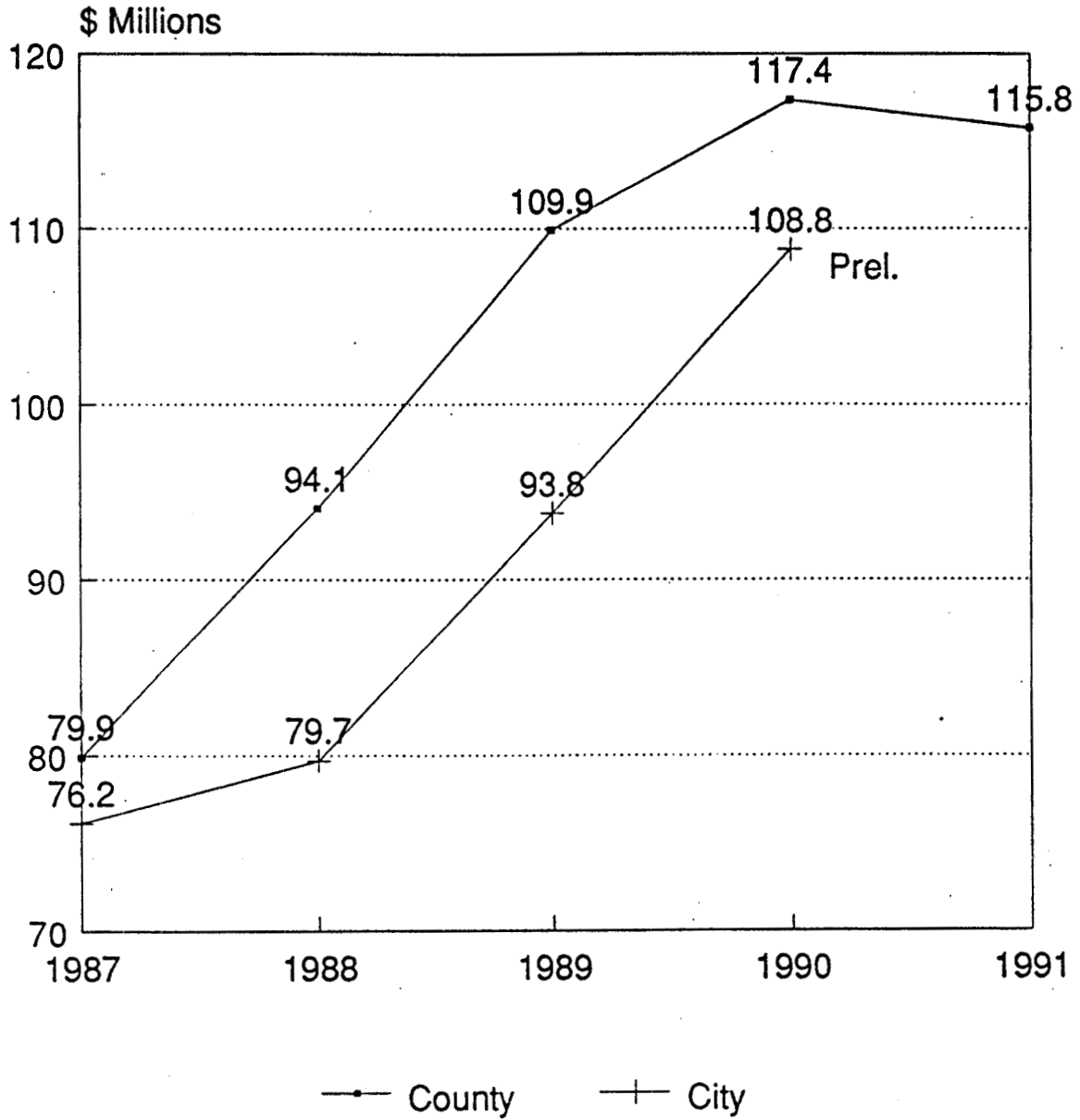
The proposal on foster care decategorization was widely supported. Discussion of the proposal to establish a mental health funding formula was mixed. On the one hand, the state would be going back on a promise to begin assuming some mental health costs from the counties. On the other hand, since this money has not been available to counties before, it was not viewed by most Task Force Members as a diversion of existing funds from the counties. Members felt strongly that much of the increase in mental health costs is being driven by either more stringent state standards or strict regulation of service providers. It was felt that if mandates from the state to the counties could be reduced, the loss of state funds would not have as great an impact on counties. Any reduction in state funds in this area must be tied to reduced state mandated.

ALTERNATIVE FUNDING

Reallocate Motor Vehicle Use Tax To General Fund

The Task Force recommends that beginning in the 5th year that the use tax funds after meeting emergency fund obligations be reallocated to the Road Use Tax Fund rather than used for the vertical infrastructure. It is also suggested that during the 4 year period the state independently examine the highway funding requirements of the state and local governments and the priority in which these requirements should be viewed in the context of total state and local funding requirements. This examination will ultimately determine the allocation of the total motor vehicle use tax funds to the Road Use Tax Fund or the General Fund.

County & City Road Fund Balance



The recommendations contained in Option B will reallocate \$24 million annually from the state road funds. The remaining \$26 million will be a reallocation annually of funds which would have been received by counties and cities. Task Force members expressed some concern regarding the share of the impact being disproportionate between state and local government. Approximately \$16 million will be reallocated from counties while \$10 million will be reallocated from cities. In considering the effect of these annual reallocations, the following observations may be relevant.

- * According to preliminary estimates by the Department of Transportation, cities and counties will receive in excess of \$30 million of additional federal funds between fiscal 1992 and fiscal 1996.
- * Approximately \$355 million in estimated expenditures were made by counties in fiscal 1991 for construction, maintenance and administration of roads. Similarly, cities expended in excess of \$239 million. The annual reductions of \$16 million and \$10 million are less than 5% of these amounts.
- * In three recent years counties reported unobligated balances in their secondary road funds averaging in excess of \$81 million as of June 30. While there are significant differences in the amount of unobligated balances between counties, the balances suggest a basis to compare the impact of the proposed \$16 million annual reduction. See Attachment 1 & 2.

	Unobligated Balance	Obligated (Millions)	Total
FY 89	\$79.6	\$30.3	\$109.9
FY 90	\$83.5	\$33.9	\$117.4
FY 91	\$80.0	\$35.0	\$115.8

- * A similar analysis of the total road fund balances for cities is provided in Attachment 1.

County Road Fund Balance Obligated & Unobligated

