

## New Money Report post Veto: Fiscal Impact

The attached spreadsheet contains final FY 2016 Regular Program District Cost. The spreadsheet is based on 1.25% State Supplementary Assistance and is reflective of the Governor's veto of the \$53 million of one time funding. [Click Here](#)

The Governor's veto will not impact property tax rates as the one time funding was 100% state aid and included no property tax component. The June 30 deadline to notify the Department of Management to further reduce any property tax levies beyond what was submitted in your Aid and Levy Worksheet (most commonly Cash Reserve or Management) has passed. If you had planned on using the one-time funding to offset budget guarantee and notified DOM of that plan, they will automatically reverse that decision and restore the property tax associated with the budget guarantee.

If you have done FY 2016 Unspent Budget Authority projections and included in the one time funding, please remember to reduce your Miscellaneous Income by the amount of the one time funds vetoed by the Governor.

The veto of the \$55 million is disappointing. We know your district is likely struggling with last minute decisions to piece the budget together. We are all in this for the long-term for students:

- Consider categorical fund ending balances carefully as those funds may be eligible to cover expenditures currently in your general fund.
- Rethink the ending unspent authorized budget and consider what it takes to support the entire system.
- As you ask staff to work harder, to have larger class sizes and support students with ever more challenging needs, continue to provide the tools and support they need to do the job well.
- Look for potential general fund savings in the PPEL flexibility bill and dropout-prevention flexibility in the Education Appropriations bill, both signed by the Governor.
- Let us help you investigate how solar energy might save your general fund.
- Share with us what you are doing locally so we can share with others to build on the great work going on in Iowa schools across the state.

We look forward to helping you find the answers you need to make this inadequate 1.25% increase per pupil go as far as it can to supporting high expectations for your students.

Please let Margaret or me know if you have any questions.

Larry

Larry Sigel, Partner  
Iowa School Finance Information Services (ISFIS)  
1201 63rd St.  
Des Moines, IA 50311  
[515-490-9951](tel:515-490-9951) (cell - preferred)  
[515-251-5970](tel:515-251-5970)  
[515-251-5985](tel:515-251-5985) (fax)  
[larry.sigel@isfis.net](mailto:larry.sigel@isfis.net)