



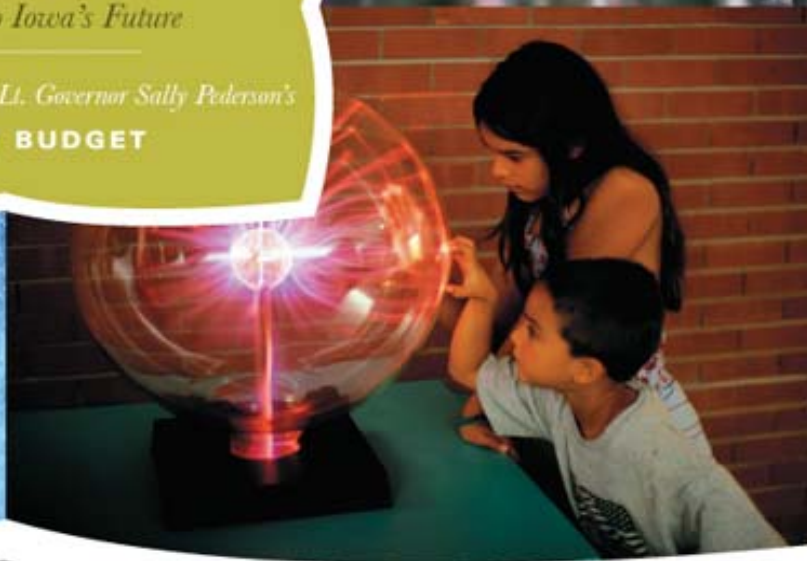
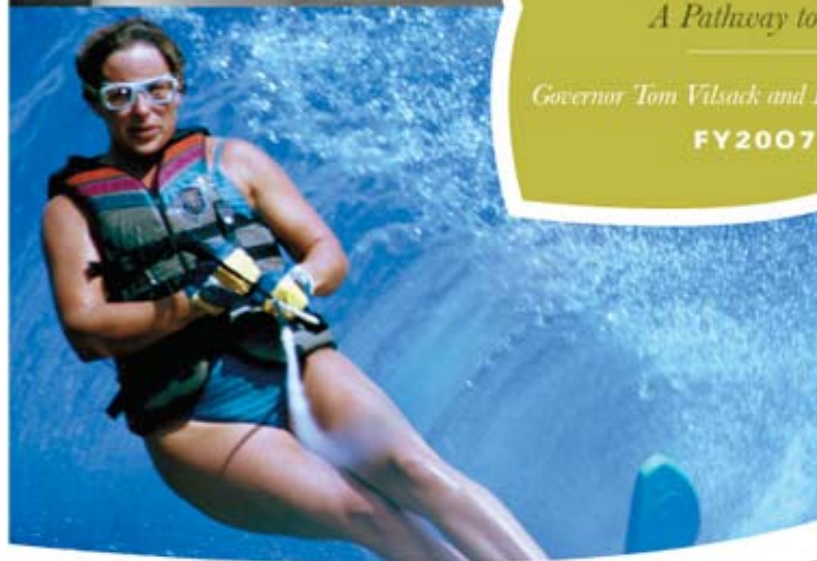
STRONGER COMMUNITIES

through Innovation and Creativity

A Pathway to Iowa's Future

Governor Tom Vilsack and Lt. Governor Sally Pederson's

FY2007 BUDGET



This budget document was prepared for

Governor Thomas J. Vilsack
Lieutenant Governor Sally J. Pederson

by the Department of Management

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http://www.dom.state.ia.us/state/budget_proposals/files/FY07_Gov_Rec.html

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SALLY J. PEDERSON
LT. GOVERNOR

January 10, 2006

To Members of the 82nd General Assembly,

This FY2007 budget will continue progress toward growing Iowa's economy, improving student achievement and expanding health care security. With your cooperation last year we enacted the Strong Start program, the Watershed Improvement Review Board, the Iowa Values Fund, Iowa Cares, the Meth Control Act, a balanced budget and other initiatives which made for a very productive session. In a spirit of cooperation we deliver the FY2007 budget at the start of the session to allow more time for your consideration.

The challenge we as leaders of Iowa and our nation face today is planning a pathway to future growth in an era when the world is "*flattening*." Right now, and for the foreseeable future, Iowa's businesses, workers, schools, health providers, and communities compete with those in foreign countries with larger populations, lower wages and economies doubling in size every seven years. Iowa's competitive advantages have long been strong communities, an excellent educational system, university supported research, technology transfer capacity, a diversified economy, a good natural environment, and a healthy, productive workforce. We must continually build on these advantages just to keep pace in the emerging global economy. This budget and our legislative program will advance a pathway to Iowa's future by strengthening our communities through innovation and creativity.

Iowa's education system can compete with systems anywhere on the globe. Our State offers educational opportunities beginning with pre-school through doctorates from the finest research institutions in the country. Iowans have access not only to high quality public schools but also a full range of private schools as an alternative. Our community colleges not only fill the gap between high school diploma and college diplomas, they offer technical training and lifelong learning opportunities in every county of the state. However, we must continually build-on this system. We still need to close the achievement gap for minority students, pay higher salaries to retain and attract the highest quality teachers, encourage innovation in governance and strengthen curriculum. This budget proposes funding increases to every sector of Iowa's educational system. Perhaps most importantly, we propose a significant reform of the School Foundation Formula to offer universal access to a quality preschool experience for four-year-olds. We also propose creating a new competitive grant funded from future budget surpluses, Vanguard School Grants to schools for innovative reform proposals.

The array of economic development incentives, featuring the Iowa Values Fund, which we enacted initially two years ago, and permanently last year, are the most successful in our state's history. As a result, today more Iowans are working than ever before, Iowa has the fastest growing economy in the Midwest and the eighth fastest in the country, and the average Iowans' income rose at one of the fastest rates in the nation in 2004. While that is a great position, we must build-on the momentum. In today's *flat* world we need to think strategically, improve continuously and invest wisely. The Iowa Values Fund program will carry us through the next four years but we need to work now on the strategy that will carry us into the future. The Iowa Values Fund implemented the basic strategy recommended by the Battelle Institute to focus on creating jobs and a workforce in the fields of bioscience, advanced manufacturing and information solutions/financial services. The results to date are that with an investment of \$119 million of grants and loans, 23,289 jobs have been created or retained at an average annual salary of over \$39,312 and \$3.6 Billion of capital investment has been leveraged. This strategy is benefiting all Iowans. Over half of the investment went to existing businesses in Iowa, and exactly half went to businesses in cities under 10,000 population and half to cities over 10,000. In this budget we propose to take the next step by investing \$50 million over three years with \$20 million in FY2007 to implement the infrastructure recommendations of the Battelle Studies.

In a global competition, Iowa's communities may be our best kept secret. Our cities, neighborhoods, clubs, associations, schools and faith communities knit people together in ways that encourage displays of support, generosity, kindness, cooperation and a sense of protectiveness like no other place. Iowans are willing to make sacri-

fices for their communities. That spirit is demonstrated in the response by our citizens who serve in the National Guard and military reserve units based at home and in the active military. In every war since the Civil War, Iowans have distinguished themselves by the numbers of people who serve and the high ranks they achieve. Right now Iowa has over 2,100 sons and daughters from Iowa Guard and reserve units serving in harm's way in Iraq and Afghanistan. Those of us at home need to demonstrate support for those soldiers and their families. In this budget we propose funding three programs for our Guard and reserve members and active military including a new Veteran's Appreciation Bonus for those injured in combat to help their families cope with unexpected expenses of having a loved one hospitalized. We also propose FY2006 Supplemental requests to continue the Guard & Reserve Home Buyer Benefit Program and to extend the current Iowa National Guard education assistance program.

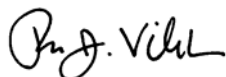
Last year, together, we established the Iowa Cares program which maintained health care benefits for the most vulnerable people of our community- poor children, elderly and disabled Iowans and expanded care to Iowans who were not previously eligible for Medicaid. This year we propose to take another step to expand insurance coverage to a group for which health care insecurity is no less a threat but who may deserve assistance even more- workers in small businesses which cannot afford to offer health insurance. Without a healthy workforce, businesses pay for lost time and productivity. Furthermore, to attract a strong workforce in a competitive environment, small businesses need to offer comprehensive health benefits. This FY2007 budget dedicates revenue from an increase in the cigarette tax to create a small business and school district reinsurance fund that will provide assistance with high cost claims and relief from increasing premiums. In recent years the biggest increase in costs for school districts has been rising health insurance premiums. Like small businesses, many districts are too small to spread risks hence they too would benefit from a subsidized pool. Again this year, our budget includes an increase in the cigarette tax of eighty cents per package. Since the reason for increasing the tax is to deter smoking, especially by young smokers, we propose to dedicate the additional revenue to health related expenses by transferring the revenue to the Healthy Iowans Tobacco Trust where it would be available for health related expenses.

Iowa's natural environment is often overlooked as one of our most valuable assets in global competition. Our ample supply of fresh water including two of the greatest rivers on the globe, a temperate climate, and top soil that is the envy of everyone else in the world, make Iowa a special place. However, our generation is not maintaining this natural environment enough to offset the damage our industries and lifestyles are causing. It is well known that our water quality is so poor that our rivers and lakes are not fit to swim in or drink for ourselves but we are exporting harmful contaminants all the way down the Mississippi River into the Gulf of Mexico. The Water Quality Summit built a consensus around an agenda, monitoring has given us the information, private land owners are installing buffer strips and closing wells and developers are restoring wetlands but we must do more to clean up our lakes and rivers. This budget calls for \$50 million for water quality improvements over a 3-year period beginning with \$20 million in FY2007. This level of spending is justified by the double-benefit Iowans receive of cleaning-up environmental damage and enhancing existing recreational opportunities.

Part of reforming Iowa's economy is reforming Iowa's governments. We propose several reforms: to make the state's budget more manageable; to make the State's business processes lean; and to encourage local governments to think creatively and act cooperatively. Again this year we used the Purchasing Results Process to compile our recommendations, however, for FY2007 we modified the process to align with the Legislature's appropriations structure. We provided all departmental offers to legislative staff and we posted on our website all Requests for Results (RFRs), all Departmental Offers, and each Buying Teams' Drilling Platform. Iowans will better understand what they receive in return for their tax dollars. We also recommend funding to institutionalize Lean Business Process in State departments. This initiative grew out of an innovative partnership with the private sector that has produced dramatic results. We propose to expand it to every department. Locally, Iowa has too many taxing bodies, too many elected officials, too many administrators and too little regional cooperation. To assist local government and citizens to think creatively about reform we propose the Local Government Innovation Fund and the Center for Excellence. The Fund will provide grants to local governments for innovations and the Center will provide technical assistance, best practices and facilitate local efforts.

Iowa's pathway to the future will be built on the strength of our communities. State government will play an important role by encouraging innovation and creativity and this budget provides the initiatives. We look forward to working with you.

Sincerely,



Thomas J. Vilsack
Governor



Sally J. Pederson
Lt. Governor

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ECONOMY & BUDGET DISCUSSION

NATIONAL ECONOMIC REVIEW & FORECAST

The State's ability to fund services is heavily influenced by the economic environment. A recent reminder is the recession of 2001 when state revenues across the country collapsed. Economic conditions have improved dramatically since then and most states have enjoyed much stronger growth in tax collections. This section is intended to place the budget outlook in the broader context of State and national economic conditions.

Current analysis by key economists and forecasting agencies such as Economy.com, and Global Insight, Inc., paint a stable and optimistic picture of the national economy. A number of states rely on the information provided by these experts for national and state forecasting. Indicators analyzed typically include: industrial activity, labor markets, energy, inflation, financial markets, government, business investment, consumer markets, housing, trade, and government policy. Any analysis of a nation's economic progress will evaluate the level of gross domestic product (GDP), inflation, unemployment, consumer confidence and spending, and interest rates, among others.

Gross Domestic Product (GDP)

Using these as a guide, currently released data by the Bureau of Economic Analysis (BEA) show third-quarter Real GDP growth at 4.3 percent. This was much better than the second quarter growth of 3.3 percent and was in spite of the drags from hurricanes Katrina and Rita. The real GDP growth reflected revisions to investment in single-family structures, consumer spending on nondurable goods, investment in equipment and software, and investment in nonresidential structures.

Third-quarter growth was led by a strong increase in consumer spending (up 3.9 percent), concentrated in durable goods (especially autos), which took the personal saving rate into negative territory (at -1.1 percent). Residential and nonresidential fixed investment spending growth both slowed, but maintained levels supportive of growth. Federal government spending accelerated sharply, likely in response to the hurricanes. Exports and imports were little changed.

Global Insight concludes that the "GDP figures support the Fed's view that the economy has solid momen-

tum and will prove resilient in the face of the hurricanes." They believe "The Fed will continue to nudge interest rates higher, 25 basis points at a time. The earliest it might stop is at 4.5 percent in January 2006, but it seems increasingly likely that rates will have to go even higher."

Inflation

Analysts see the core inflation for consumer products as quite moderate, at just 1.3 percent, in line with recent evidence from the consumer price index. Recent higher energy price levels were instrumental in the 3.7 percent rise in the overall consumption price index.

Consumer Spending/Sentiment

According to a December report published by the Bureau of Economic Analysis (BEA), personal income rose 0.4 percent in October 2005 after rising 1.7 percent in September. Real disposable personal income and real consumer spending also rose.

In the November report by the Conference Board, consumer confidence soared in November as declining gasoline prices and an improving job market contributed to a stronger-than-expected reading that could bode well for the holiday shopping season. The Consumer Confidence Index rose to 98.9 this month from 85.2 in October. Analysts had expected a reading of 90. The better-than-expected results reversed a two-month decline. This was attributed to a combined effect of a decline of more than 40 cents in gasoline prices in November and the improving job outlook. The sharp rebound in confidence helped send the Dow Jones industrial average rising.

The rebound in consumer sentiment is seen as an encouraging development. One component of the consumer confidence report, which examines consumers' views of the current economic situation, rose to 114.0 from 107.8. The expectations index (a measure of consumer outlook over the next six months), surged to 88.8 from 70.1 in October. According to analysts, consumers' outlook for the next six months is con-



siderably more upbeat, although not as optimistic as earlier this year. Those expecting business conditions to worsen decreased to 11.7 percent from 18.5 percent. Those expecting business conditions to improve rose to 18.8 percent from 14.1 percent.

Employment/Unemployment

The economy continued in the path of the expansion phase of the business cycle. Jobs continue to be created in most sectors. According to the Bureau of Labor Statistics of the U.S. Department of Labor, nonfarm payroll employment was little changed (+56,000) in October, and the unemployment rate was essentially unchanged at 5.0 percent. Average



hourly earnings of production or nonsupervisory workers on private nonfarm payrolls rose by eight cents over the month. Both the number of unemployed persons, 7.4 million, and the unemployment rate, 5.0 percent, remained relatively stable in October. The unemployment rate has ranged from 4.9 to 5.1 percent since May 2002.

Most analysts see the outlook for the labor market as optimistic. Those expecting more jobs to become available in the coming months increased to 14.2 percent from 12.3 percent, while those expecting fewer jobs fell to 17.7 percent from 24.0 percent in October. In 2004, the nation's unemployment rate averaged 5.5 percent. For the first ten months of 2005, the nation's average unemployment rate is at 5.1 percent. The October 2005 national unemployment rate is at 5.0 percent.

Manufacturing

The Chicago Federal Reserve Bank announced in November that its Midwest manufacturing index (a monthly estimate of manufacturing output by major industries in the region. The survey covers the five



states that make up the seventh Federal Reserve district: Illinois, Indiana, Iowa, Michigan and Wisconsin) grew solidly in October, helped by a surge in regional auto production. For the first time in a year, all four components of the index rose. The index climbed 1.8 percent to 106.6 from a downwardly revised 104.7 in September, originally reported at 111.0. Compared with a year earlier, Midwest output was 2.6 percent higher, versus a 3.3 percent national increase.

Energy

According to Global Insight, "The cumulative losses of natural gas from hurricanes Katrina and Rita reflect not only the 109 platforms destroyed or damaged by the storms, but also the damage to plants and pipelines. There is nearly 8 billion cubic feet (bcf) per day of processing capacity offline, a fact that will limit pipeline operations into 2006. The supply situation is below last-year's levels, but above the five-year moving average. However, given the amount of gas currently shut-in, high inventory draws are expected throughout the winter. Gasoline prices will remain high over the coming months, retreating slowly to \$2.50 per gallon by year-end. The AAA fuel gauge report has average national regular unleaded prices at \$2.854 per gallon for October 12; the same-day average national price last year was \$1.972 per gallon for regular unleaded.

Conclusions

The economy is expected to experience continued but moderate growth in 2006. Real GDP growth will steady from last year's strong pace as the sources of growth begin to shift. Consumer spending, investment, and federal government spending growth will continue at a cautious pace as monetary and fiscal policy continues to emphasize restraint.

IOWA ECONOMIC CONDITIONS

The State of Iowa uses the Iowa Economic Forecast, which is published and copyrighted by the Institute for Economic Research at the University of Iowa, as a resource in preparing its projections of revenues and expenditures. According to the data released by the Institute, the December 2005 forecast is little



changed from the one made in October. The forecast was based on data through the second quarter of 2005. Personal income is expected to grow by 5.1% in 2005

(down slightly from 5.2% in the October forecast) and by 4.8% in 2006 (down from 4.9% in October). Real Personal Income growth for 2005 and 2006 is now at 2.3% and 1.7% respectively (a slight decline from the October forecast). Employment forecast for 2006 is up slightly from October. The Institute projected a 2006 growth rate of 1.1% in nonfarm employment (up from 0.9% in October). The 2007 employment forecast was put at 1.0%.

Personal Income

The University of Iowa Institute for Economic Research's latest outlook is for personal income in Iowa to grow by 5.2% in 2005, 4.9% in 2006, and 5.2% in 2007. According to the Bureau of Economic Analysis, in the last two quarters of 2004-05 Fiscal Year, Iowa's personal income, seasonally adjusted, grew at a rate of 0.9% and 1.3%, respectively; which was close to the nation as a whole, with personal income growth of 0.6% and 1.5%.

Iowa's personal income for calendar year 2004 grew at the second highest rate in the nation, with Nevada the only state with a higher percentage. Iowa's personal income grew at 8.9%, compared to the national average of 6.0%. Contributing to Iowa's personal income was higher growth in Construction (10.5%), Transportation and Warehouse (8.3%), Finance and Insurance (7.9%), Manufacturing (6.7%), Health Care and Social Assistance (6.4%) and higher farm income.

Farmland Values

The most recent survey of area bankers indicates that farmland values continue to rise. The Federal Reserve Bank of Chicago surveys farm bankers in the area four times a year to determine their best estimates of farmland values. In their July 2005 survey, Iowa farmland



values had risen 11% compared to the 2004 survey. Gains were registered throughout each region in the State, with the South Central region growing the most (17%), and the West region showing the smallest increase (8%).

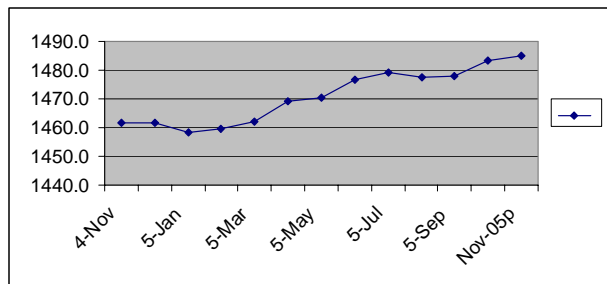
Employment

Iowa's nonfarm employment totaled 1,485,200 during November, 2005 which was 1,700 more than October and 23,400 more than in November, 2004. This months job count is a new all-time high for employment in Iowa, 700 higher than the previous all-time high of 1,484,500 recorded in March, 2000.

Dr. Charles Whiteman's Summary of Iowa Outlook 12/2/05 (10/2005)

	2004	2005	2006
Personal Income Growth	8.9% (8.9)	5.1% (5.2%)	4.8% (4.9)
Wages & Salary Growth	5.9% (5.9)	6.9% (6.9)	6.1% (6.1)
Real Personal Income Growth	6.1% (6.1)	2.3% (2.4)	1.7% (1.9)
Non-Farm Employment Growth	1.1% (1.1)	1.2% (0.9)	1.1% (0.9)
Durable Goods Manufacturing Growth	3.5% (3.5)	3.6% (3.1)	2.2% (0.7)

Seasonally Adjusted Nonfarm Employment (in thousands) November Comparison



Source: Iowa Department of Management

Iowa continues to have an unemployment rate below the rate of the nation as a whole. Over the past 10 years, Iowa's unemployment rate has been between one and two percentage points below the national average. In November 2005, The U.S. Nonfarm payroll employment grew by 215,000, and the unemployment rate was unchanged at 5.0 percent from the October level. The increase in nonfarm payroll employment was attributed to large gains made in construction and food services. Iowa also experienced a similar growth in nonfarm employment during the same period. Preliminary figures for Nonfarm employment in November 2005 stood at 1,485.2 million as compared to 1,483.5 in October 2005 (an increase of 1.7 million). Iowa's unemployment rate in November was 4.8 percent. The October figures stood at 4.5 percent. However, one year ago the jobless rate stood at 5.0 percent for the same period.

Iowa has a greater percentage of labor force employed compared to the nation as a whole and also has a larger percentage of its population actively participating in the labor force. While Iowa's personal income lags that of the nation, its high levels of employment help maintain median household income at levels meeting the national average. In 2004, Iowa's median household income was \$41,350, slightly below the national average of \$44,684.

Exports

The rise in exporting industries has been an important factor in Iowa economic growth since the

1990's. Growth in exports of industrial machinery, instruments and measurement devices, electronics, specialized transportation equipment, chemicals and pharmaceuticals, and processed food products have helped diversify Iowa's economy. When combined with traditional farm commodities and livestock, total exports from Iowa increased by 22%, 11% and 13% in the years 1995 through 1997. The two year declines of 3% and 16% in 1998 and 1999 have since been a thing of the past. Subsequent years have seen steady and strong growth. Strong harvests worldwide continued to lead to an oversupply of agricultural commodities and the strong U.S. dollar also continues to make it more challenging for U.S. products to be competitive in international markets.

Iowa's export of value-added and manufacturing goods has increased since 2000 by 4.4% in 2001, 2.0% in 2002, 10.1% in 2003 and 22.1% in 2004. In 2004, Mexico for the second year in a row replaced Japan as the second leading export country behind Canada, partially due to the increase of value-added products shipped to Mexico and also due to the decline in meat and meat products shipments to Japan due to the ban on meat imports.

Iowa's record level of exports has been fueled by large percentage increases in machinery, electrical machinery, cereals, milling, and organic chemicals. Overall, for the second quarter 2005, exports are up 16.1% compared to the second quarter 2004.

Gross State Product

In 2004, Iowa's gross state product was \$111.1 billion, which reflected 8.5% growth over the previous year. The largest sectors contributing to Iowa gross state product were manufacturing (20.6%), services (11.3%), and finance, insurance, and real estate (10.7%). Agriculture accounted for just 4.6% of Iowa's gross state product. The gross state product is the U.S. Commerce Department's measure of the value of all goods and services produced in the State each year. The nation's gross domestic product (\$11.7 trillion) grew by 4.3% between 2003 and 2004.

IOWA RANKINGS

Iowa ranks 1st in social health.

2003 Fordham University Institute for Innovation in Social Policy, The Social Health of the States: 16 measures of social health included child poverty, teenage suicide rate, average weekly wages, health insurance coverage, high school completion, alcohol-related traffic deaths, etc.

Iowa ranks 1st in average SAT composite scores.

The College Board 2004 rankings showed Iowa had the best scores.

Iowa ranks 2nd in personal income growth.

Bureau of Economic Analysis ranked Iowa second highest growth in 2004 increasing 7.8 percent over previous year.

Iowa ranks 3rd lowest cost of doing business.

2005 Milken Institute “Cost of Doing Business Index” measures wage costs, taxes, commercial/industrial electricity cost and real estate cost for warehouse/office space. Cost of doing business in Iowa 19 percent below national average.

Iowa ranks 4th best liability system.

2004 Liability System, U.S. Chamber of Commerce: Polled corporate America on views of state liability systems including tort and contract litigation, treatment of class action suits, punitive damages, judges’ impartiality and competence, and juries’ predictability and fairness.

Iowa ranks 4th in child well-being.

The 2004 Kids Count annual ranking of states showed Iowa advance from last year’s 5th ranking. The ranking is figured on 10 measures, and Iowa advanced in nine of the 10 measures with no change on the tenth. Iowa ranks number one in the lowest percentage of teen-agers not attending school and not working and the lowest percentage of children living in families where no parent has full-time, year around employment. Iowa is number two in preventing teenage dropouts.

Iowa ranks 5th in high school graduation rate.

Morgan Quitno state rankings in 2003 showed Iowa at 82.5 percent in graduation rate.

Iowa ranks 6th most livable state for second straight year.

2005 Morgan Quitno Press, Most Livable State Award based the rankings on 43 statistical indicators that reflect the kind of lifestyle most Americans agree is positive—affordable housing, safe streets, good employment opportunities, strong education system and a healthy state economy.

Iowa ranks 6th healthiest state.

2005 Morgan Quitno Press based its rankings on 21 health-related factors including infant mortality rates, portion of population covered by health insurance, per capita expenditures for health care, portion of population lacking access to primary medical care, childhood immunization rates and percent of adults who smoke.

Iowa ranks 6th in quality of health care.

Center for Medicaid and Medicare Services: Study ranks states’ quality of health care to Medicare patients.

Iowa ranks 7th among the top 10 best states for babies.

Child Magazine developed a state-by-state ranking of the best places to have and raise a newborn based on 20 categories of child health and childrearing issues crucial for new parents and babies.

Iowa ranks 7th lowest poverty rate.

2003 Census Bureau data, Iowa has seventh lowest poverty rate at 8.3 percent. National average 11.7 percent.

Iowa ranks 8th safest state.

2005 Morgan Quitno Press examined crime rates in six categories including murder, rape, robbery, aggravated assault, burglary, and motor vehicle theft.

Iowa ranks 10th healthiest state.

The UnitedHealth Foundation's 2005 study is an annual survey of each state's overall health environment based on 17 lifestyle and environmental factors, including the prevalence of smoking, violent-crime rate, unemployment rate, access to health insurance and mortality rate.

Iowa ranks 11th best managed states.

Governing Magazine and the Maxwell School at Syracuse rank Iowa in the top 11 best managed states with the following grades: Financial Management: A-, Capital Management: B+, Human Resources: B+, Information Technology: B, Managing for Results: A-, and an Overall Grade: B+.

Iowa ranks 14th smartest state.

2005/2006 Morgan Quitno Press looked at 21 factors of a state's elementary and secondary education system to develop the "smartest state" rankings.

Iowa ranks 15th in state competitiveness.

2004 Beacon Hill Institute State Competitiveness (Suffolk University): Nine factor categories include government & fiscal policy, infrastructure, human resources, technology, finance, openness, domestic competition, and environmental policy. Iowa tied for the #15 rank overall.

Iowa metro areas rank in the top 50 places to locate or expand a business.

Expansion Management Location Study 2004: Studied 331 metro areas to determine best places to locate or expand a business. Study analyzed public education, college-educated workforce, health-care cost and availability, quality of life, logistics infrastructure and government taxes and spending. Des Moines ranked #1 overall for the second year in a row, Iowa City #5, and Cedar Rapids, Dubuque, and Waterloo/Cedar Falls were all ranked in the top 50. Forbes.com examined the best metro areas to launch a business or career in 2004. Des Moines ranks 14th best metro area and Iowa City ranks 3rd best smaller metro area.

Iowa metro areas rank among the top 50 for best quality of life.

In 2004, Expansion Management studied 329 metro areas to develop a "quality of life quotient." Measurement categories in this study include: housing affordability, education (K-12), continuing education (post-secondary), standard of living, peace of mind (crime), transportation, and employability. Iowa City ranked #3, Des Moines #4, Dubuque #6, Cedar Rapids #8, Waterloo #22, and Omaha/Council Bluffs #29. Iowa has four of the top ten rankings.

Iowa metro areas rank very high in best midsize cities for entrepreneurs.

Entrepreneur Magazine studied entrepreneurial activity, small business growth, job growth, and risk factors to determine the best midsize cities for entrepreneurs in 2003. Omaha/Council Bluffs ranked #2 in the Midwest and #7 nationally, Des Moines ranked #4 in the Midwest and #11 nationally, and Davenport/Quad Cities ranked #13 in the Midwest and #63 nationally.

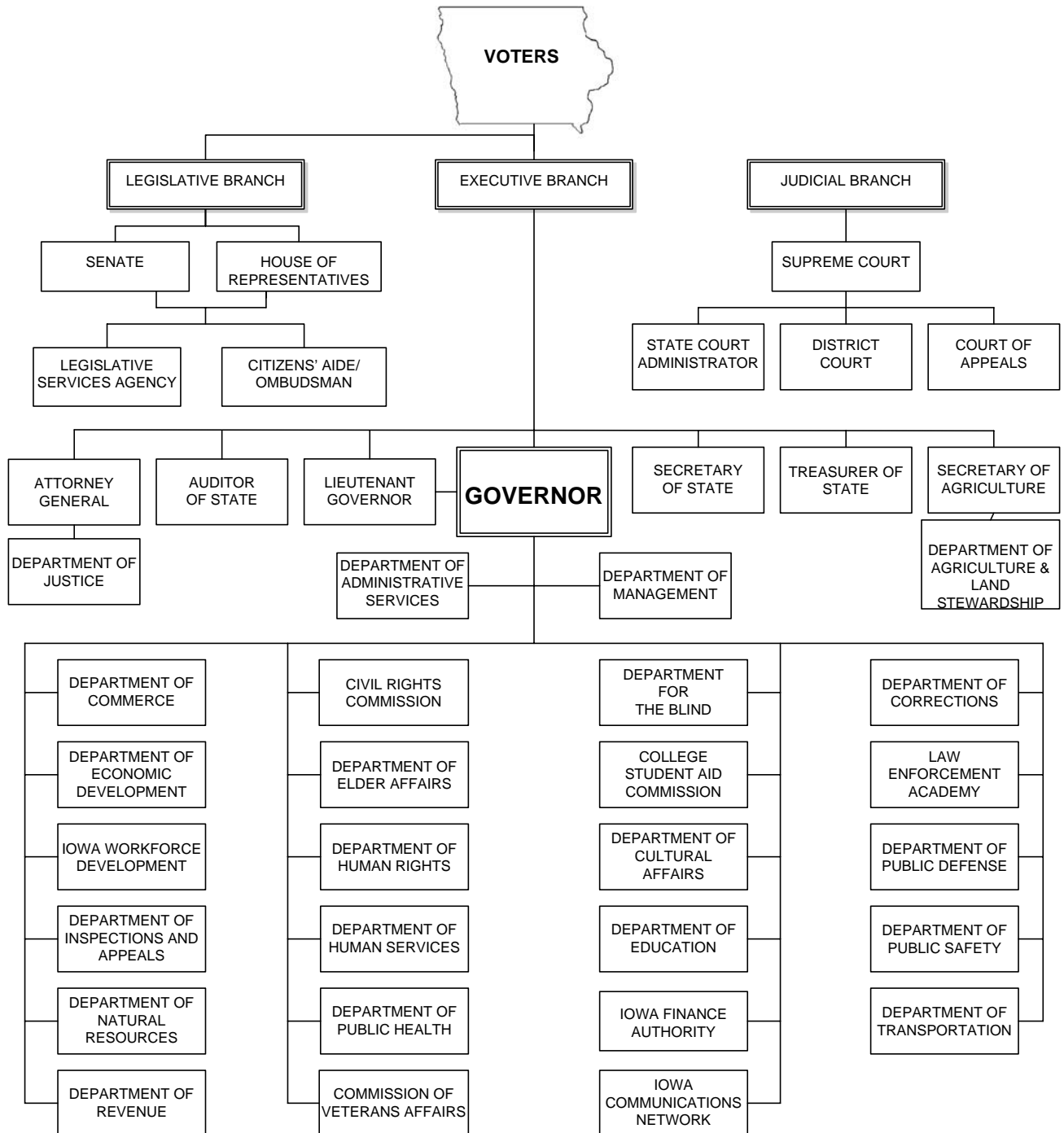
Iowa State Fair ranks 2nd place America goes to have fun.

USA Weekend examined popular travel destinations throughout the United States and ranked the Iowa State Fair as the second most popular place America goes to have fun next to Las Vegas.

Iowa Ranks 40th among the states for total tax burden.

According to Bureau of Economic Analysis, Department of Commerce, and Tax Foundation calculations, the national average of total tax burden is 29.1 percent. Iowa has a total tax burden of 27 percent. This is the state-local and federal combined tax burden.

STATE OF IOWA ORGANIZATIONAL CHART



PURCHASING RESULTS BUDGETING PROCESS

Modified for FY2007

The Governor's FY2007 budget was compiled using the Purchasing Results budgeting process first used on the FY2006 Budget but modified to align the Buying Teams with the Legislature's Appropriations Subcommittees and the I/3 Budget program was modified to remove Departments' base budgets, making this budget essentially Zero-based.

Traditional budgeting starts with last year's spending levels then adjusts some up and some down. In traditional budgeting, all the scrutiny is at the margin, the majority of spending is never questioned. Inertia maintains current spending levels. Good, new ideas rarely break through and mediocre programs rarely go away, even in bad budget times. The focus is on the price, not the results Iowans get for their money.

Purchasing Results is based on the familiar paradigm of Purchasers vs. Sellers. The Governor and Lt. Governor, then, in turn, the Legislature, take the role of *Purchasers* of government services. Purchasers start by determining how much they have to spend then purchasing the results Iowans expect. Departments take the role of *Sellers*, starting by figuring out what results they can sell then how much it will cost to deliver those results. The focus is on *Results* Iowans expect, for example: Reducing the number of impaired waterways, raising per capita personal income, raising the percent of children attending quality pre-school, etc., not the amount of office supplies purchased or the number of out-of-state trips planned. Purchasers strive to maximize *Value*, the most results for the lowest price. Conversely, Sellers have a strong incentive

to offer value because value drives buyers' spending decisions.

The focus on Results is especially well suited in Iowa because the Accountable Government Act (Code Ch 8E) enacted in 2001 requires all State departments to prepare and file detailed performance plans annually and to report their results at the end of the year. Performance plans for all state departments were filed with the Department of Management for FY2004 through FY2006 and are available on the Results Iowa website <http://www.resultsiowa.org/index.html>. Final reports are available for FY2004 and FY2005.

The Mechanics of Purchasing Results Process

1. Determine Results Areas and Indicators and select Buying Teams

Governor Vilsack and Lt. Governor Pederson start by listening to Iowans, whose input forms the basis for the list of *Results Areas* Iowans want and *Indicators*, measures of where we currently stand where we would like to move. An example of an Indicator, for Education, is the percentage of 4th grade students achieving "proficient" or higher in reading. The Governor and Lt. Governor have identified seven Results Areas and appointed Buying Teams made up of their staff, IDOM staff and some outside members which make recommendations to them and. Legislative appropriations subcommittees serve as the counterpart of a Buying

Alignment of Buying Teams with Appropriations Subcommittees

Buying Team

Student Achievement
Healthy Iowans
Transforming the Economy
Safe Communities
Natural Resources
Accountable Government
Transportation, Infrastructure & Capitals

Appropriations Subcommittee

Education
Health & Human Services
Economic Development
Justice Systems
Agriculture & Natural Resources
Administration & Regulation
Transportation, Infrastructure & Capitals

Team.

2. Buying Teams Release Requests for Results

Buying Teams begin by preparing a Request for Results (RFR) which is the equivalent of a Request for Proposal (RFP) issued by a purchaser. The essential components of an RFR are: A statement of the desired Result, two – four indicators, a brief description of strategies with a strategy map to achieve the result. These can be customized and change from year to year. The RFRs are publicly released and posted on IDOM's website and sellers are given until a time certain to respond which corresponds to the October 1st deadline for departments to submit appropriations requests mandated in the Budget Act (Code Ch 8). Buying Teams encourage agencies to be creative, collaborate with others, and submit any offer they want, as long as it responds to an RFR. Existing activities are not exempted.

3. Sellers Prepare Offers

With the RFRs as their guide, agencies prepare *Offers* for the Buying Teams knowing that if they want to do something in FY2007, it has to be submitted as an Offer. The essential elements of an Offer are: A brief description, justification, performance measures, a price and revenue source. Agencies are encouraged to submit offers for each Service, Program or Activity (SPAs) identified in their Performance Plans however, this is not always a perfect fit. Administrative expenses should be allocated among the offers in relation to that activity's proportion of the expense, however this will require negotiation when offers are actually accepted.

4. Buying Teams Prepare Drilling Platforms

Buying Teams evaluate the Offers, negotiate with sellers for better deals, and rank the final offers in priority order as recommendations to the Governor and Lt.

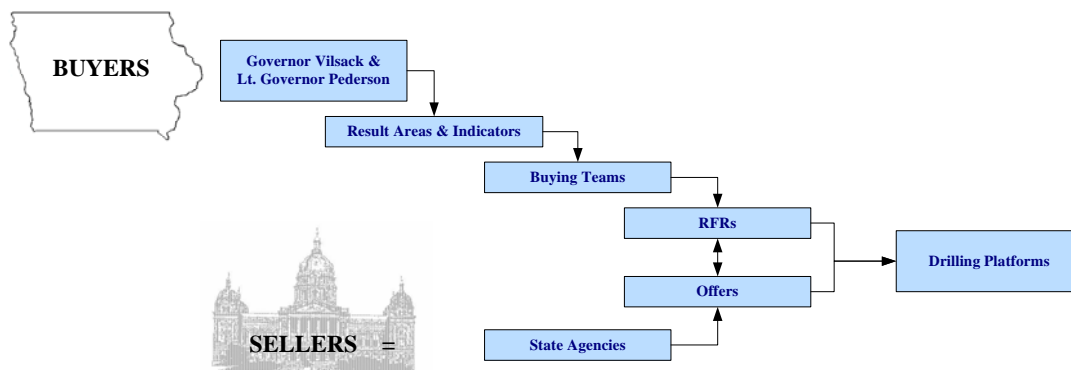
Governor. Each Buying Team has an allocation of the total appropriated revenues and can see how much of their prioritized list that allocation allows them to purchase. These lists, *Drilling Platforms*, include all state appropriated funds and show the Offers in priority order from top to bottom, with a line drawn to show where the money runs out. Drilling Platforms make the choices clear. Higher priority Offers are above the line and are recommended for funding. Lower priority Offers are below the line and cannot be funded with the money available.

5. Legislative Committees Use of Purchasing Results

Legislative subcommittees will want to review the RFRs and may want to meet with Buying Team leaders to discuss them. They will want to review the offers and meet with departments to negotiate their own set of results. When sellers appear before the subcommittee they should be prepared to justify their results and the cost. Legislative committees can reorder the priorities by moving Offers up or down the Drilling Platform. They can decide how many dollars should be available overall and how many should be allocated to each Result Area. Ultimately, they decide which Offers provide the best value for Iowans.

Benefits

Purchasing Results budget process has several advantages over traditional budgeting both for the administration and the Legislature. Departments are made to focus on the results and the value of their programs. It opens the door to competition and collaboration among departments which may administer programs directed at the same results area which can lead to departments identifying and voluntarily eliminating duplication. In subsequent years legislative subcommittees can evaluate a department's performance based on the specific results commitments.



REVENUE SOURCES AND ESTIMATES

The General Fund is primarily comprised of the State's major tax revenues, such as Personal Income Tax, Sales and Use Tax, and Corporate Income Tax. For FY2005, these taxes are estimated to make up approximately 87 percent of the General Fund revenue. The remaining 13 percent is a combination of lesser taxes such as Inheritance Tax, Insurance Premium Tax, Cigarette and Tobacco Tax, Franchise Tax, along with fees and other revenue sources. Transfers from other funds to the General Fund also occur.

All expenditures from the General Fund must be appropriated by the Legislature. The appropriations from the General Fund expire at the end of the State's Fiscal Year (July 1 to June 30), unless the Legislature specifically provides for those funds to carry forward into the following Fiscal Year.

Official Revenue Estimates

As with a family budget, state government must live within its means, and the Iowa Constitution prohibits deficit spending. To help ensure accurate estimates, the state has a consensus revenue estimating process, where both the executive branch and the legislative branch must agree on a revenue estimate to be used in the budget process.

The revenue forecast is made by a three-person panel (Revenue Estimating Conference) consisting of a representative of the Legislature (the Director of the Legislative Services Agency), a representative of the Governor (currently the former Director of the Department of Revenue), and a third person agreed upon by the other two. They meet quarterly and arrive at the official revenue estimate used by all parties in the budget process. In December of each year they establish the official estimate that will be used by the Governor and the Legislature in crafting the next year's state budget. By statute, both the Governor and Legislature cannot spend more than 99 percent of this revenue estimate.

General Funds

Table 1 shows historical trends in General Fund receipts from FY2000 to FY2007. For FY2007, net general fund receipt is estimated at \$5,314.7 million. Comparatively, the net general funds receipt for

FY2006 was \$5,075.8 million.

The specific sources of the FY2007 general funds receipts and expenditures and their percentages are shown in Figure 1 and Figure 2 below. The data in Figure 1 show personal income tax at 50 percent, Sales/Use tax at 32.7 percent, Corporate income tax at 5.4 percent. These three taxes make up 88.1 percent of general fund receipts, with the remaining taxes contributing 11.9 percent of receipts. Figure 2 shows proposed expenditures for FY2007. As typically is the case with most states, expenditures on Education accounts for 59 percent of the budget, followed by Health and Human Services with 23 percent. Justice System accounts for 10 percent of the proposed expenditure. Economic Development, Administration and Regulation, and Natural Resources make up the remaining proposed general fund expenditure.

A close examination of the three major sources of general fund receipts show a relatively steady and modest increase over the years. This general increase was in spite of the fact that for FY2002 and FY2003 personal income tax receipt was down from the previous fiscal years.

Personal Income Tax. Personal income tax revenues are estimated at \$2,811.9 million in the 2006 Fiscal Year, an increase of 1.1 percent over the actual revenues for the 2005 Fiscal Year. For the FY2007, the estimate is \$2,913.9. This represents a 3.6 percent increase from the FY2006 estimate. Personal income tax revenues are expected benefit from continued modest increases in personal income tax, offset by changes in withholding tables on both April 1, 2005 and April 1, 2006 (see Table 1 and Figure 3).

Sales/Use Tax. Sales/Use tax revenues for the 2006 Fiscal Year are estimated at \$1,872.7 million, an increase of 3.3 percent over the revenues for the 2005 Fiscal Year. For the FY2007, the estimate is \$1,935.0. This represents a growth of 3.3 percent. The sales tax estimate reflects modest growth in taxable sales and changes in state tax legislation (see Table 1 and Figure 3).

Corporate Income Tax. Corporate income tax revenues for FY2006 are estimated at \$311.4 million, an increase of 10.9 percent from the reve-



Table 1**General Fund Receipts 2000-2007 (Million \$'s)**

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE
Personal Income Tax	2,375.9	2,426.6	2,372.1	2,417.6	2,592.3	2,782.3	2,811.9	2,913.9
Sales/Use Tax	1,663.4	1,691.1	1,691.5	1,704.6	1,732.4	1,812.3	1,872.7	1,935.0
Corporate Income Tax	326.1	284.8	221.2	237.0	234.8	280.9	311.4	319.2
Inheritance Tax	114.8	104.6	100.4	88.1	80.1	78.4	70.9	69.6
Insurance Premium Tax	120.2	126.6	135.4	142.2	138.2	130.9	128.3	126.4
Cigarette Tax	91.1	89.6	88.0	88.1	87.1	87.4	89.1	90.9
Tobacco Tax	6.6	6.7	7.1	7.4	8.1	8.7	8.9	9.1
Beer Tax	13.6	13.6	13.8	14.0	14.0	14.0	14.3	14.6
Franchise Tax	31.8	31.2	30.9	35.3	38.0	35.4	35.4	35.8
Miscellaneous Tax	1.3	1.3	1.5	1.1	1.0	0.6	1.0	1.0
Other Receipts	352.0	338.4	345.6	311.5	332.0	338.0	306.4	307.1
Total Transfers	41.6	108.5	305.8	128.9	57.5	88.4	62.1	63.8
Lottery	37.1	34.3	40.0	38.9	43.9	49.3	53.3	55.4
Other Transfers	4.5	74.2	265.8	90.0	13.6	39.1	8.8	8.4
Accruals (net)	49.4	-25.3	-30.6	-44.9	83.0	-31.4	13.0	9.5
Refunds	-520.2	-550.7	-663.1	-647.3	-715.0	-696.9	-649.6	-581.2
Net Receipts	4,667.6	4,647.0	4,680.8	4,483.6	4,683.5	4,929.0	5,075.8	5,314.7

nues for the 2005 Fiscal Year. For FY2007, the estimate is \$319.2, an increase of 2.5 percent over the 2006 figures. The increase in corporate profits mimics similar trends over the past few years at the state and national level (Table 1 and Figure 3).

Other Taxes and Revenues. The make up of this category of general fund receipts can be seen in Table 1. It includes: inheritance tax, insurance premium tax, cigarette tax, tobacco tax, beer tax, franchise tax, and miscellaneous tax. This category also includes lottery and other transfers. Other taxes and revenues for the 2006 Fiscal Year are estimated at \$716.4 million, a decrease of 8.4 percent from the revenues for the 2005 Fiscal Year. For FY2007, the estimate is \$718.3, an increase of 0.3 percent. This change is due, in part, to an estimated decrease in inheritance tax due to federal tax law changes, an estimated decrease in insurance premiums due to state law changes, and a decrease in miscellaneous receipts due to one-time revenues re-

ceived in previous years for unclaimed property adjustments. Lottery transfers have however, been increasing steadily from \$37.1 million in FY2000 to \$55.4 million in the FY2007 estimate (see Table 1 and Figure 4).

Net Receipts

Net receipts comprise all receipts and transfers adjusted for accrual and refunds. These are the funds that are subject to appropriation. Net receipts for the 2006 Fiscal Year are estimated at \$5,075.8 million, an increase of about 3.0 percent from the 2005 Fiscal Year. For FY2007, the net receipts are estimated at \$5,314.7, an increase of 4.7 percent. These increases reflect the general positive trend in economic conditions (see Table 1 and Figure 5). It is based on these net receipts that the fiscal year expenditures from general fund are planned.

Figure 1

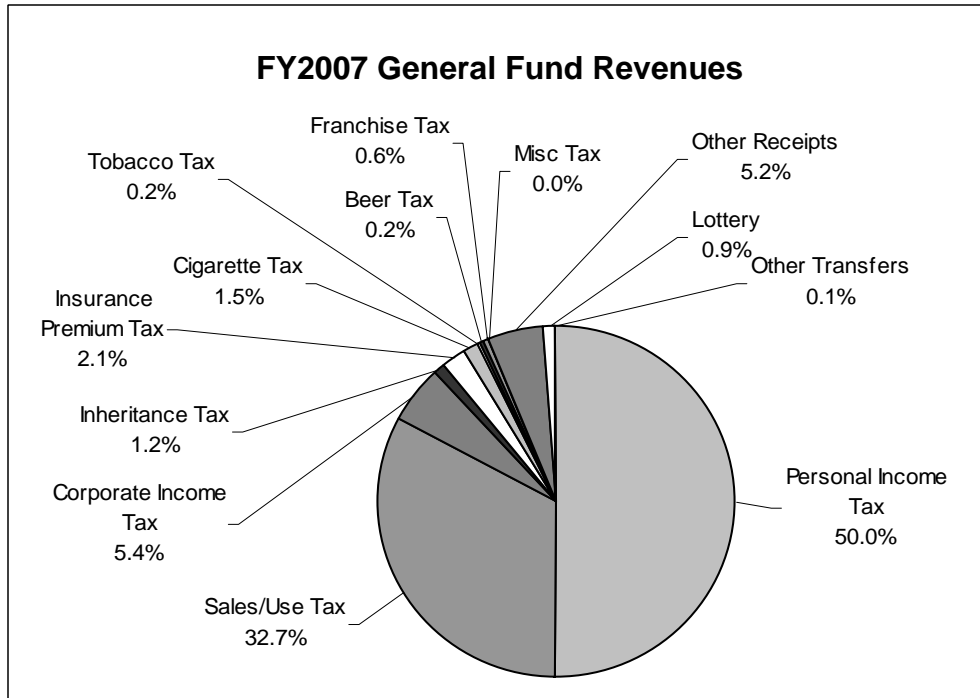
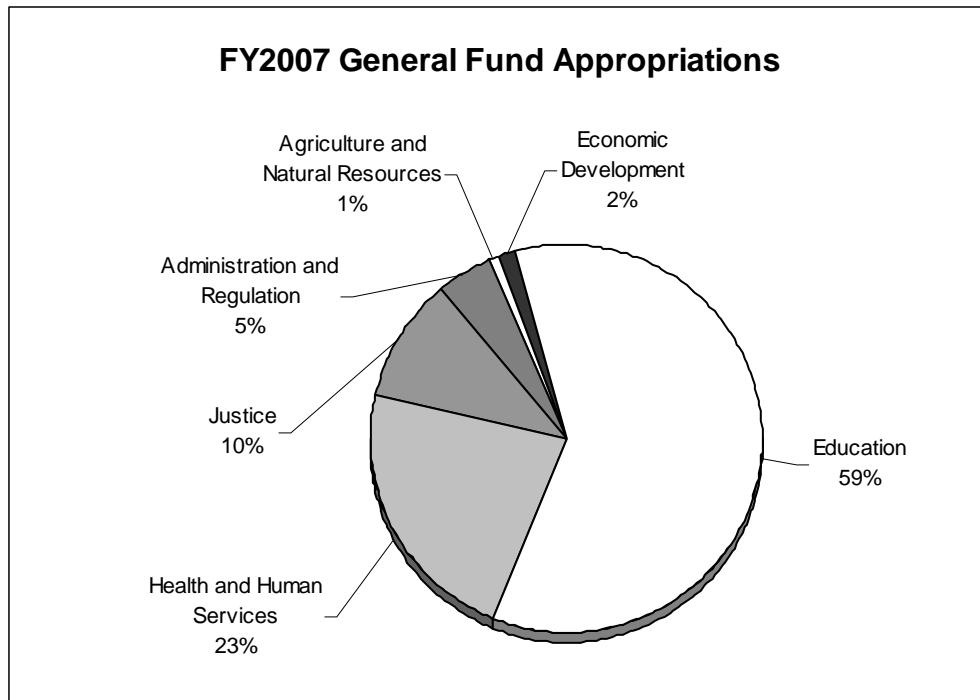


Figure 2



General Fund Revenue Adjustments

In order to continue to provide essential state services for Iowa, Governor Vilsack and Lt. Governor Peder-son recommend the following General Fund revenue adjustments for FY2006 and FY2007:

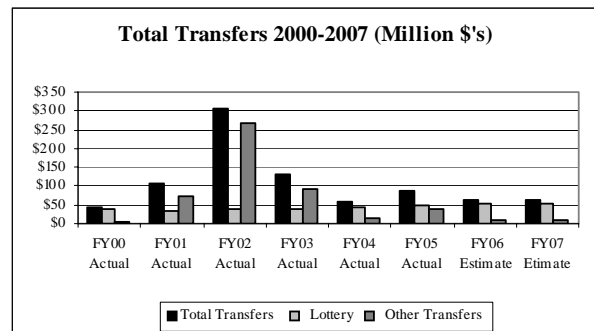
- Increase in the cigarette tax, effective April 1, 2006, by \$0.80 per pack for a revenue increase of \$31.3 million in FY2006 and \$129.9 million. In order to make sure the increase in revenue is used for health care purposes, a transfer of that those amounts from the cigarette tax revenue source to the Healthy Iowans Tobacco Trust Fund is recommended of the respective amounts for FY2006 and FY2007 is recommended. Therefore, there is no net effect on the General Fund.
- Require corporations to file combined reports for Iowa corporate income tax purposes for a revenue increase of \$25.0 million.
- Increase the beer tax 10 cents per gallon for a revenue increase of \$7.4 million.
- A change in the collections services within the Department of Revenue to an entrepreneurial way of funding of the services. An additional \$4.8 million in General Fund revenue is expected to be collected with this change.
- Increase court cost for scheduled, nonscheduled, and all criminal offenses to \$35, for a revenue increase of \$2.2 million.
- Increase the fines by 25 percent for simple, serious, and aggravated misdemeanors, and all OWI offenses for a revenue increase of \$2.0 million.
- Increase speeding fines under 55 mph for a revenue increase of \$2.1 million
- Increase in the fees collected for reimbursement due to regulation of additional riverboats and increase in banking regulation for a total of \$3.5 million.

Figure 3



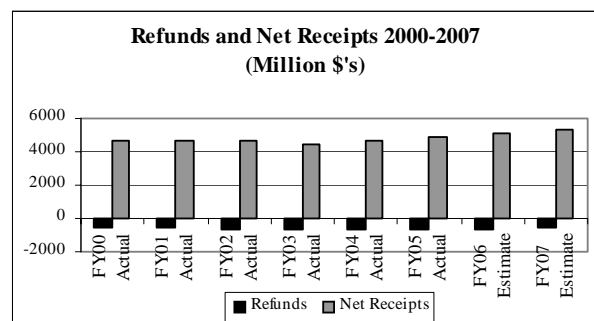
Source: Iowa Department of Management

Figure 4



Source: Iowa Department of Management

Figure 5



Source: Iowa Department of Management

SUMMARY OF FINANCIAL INFORMATION

FOR THE GENERAL FUND

The General Fund receives those revenues of the State not specifically required to be deposited in other funds. General Fund revenues are obtained from the payment of State taxes and non-tax sources. Major tax revenues credited to the General Fund include the personal income tax, corporate income tax, sales/use tax, and certain other taxes and revenues described in a subsequent section.

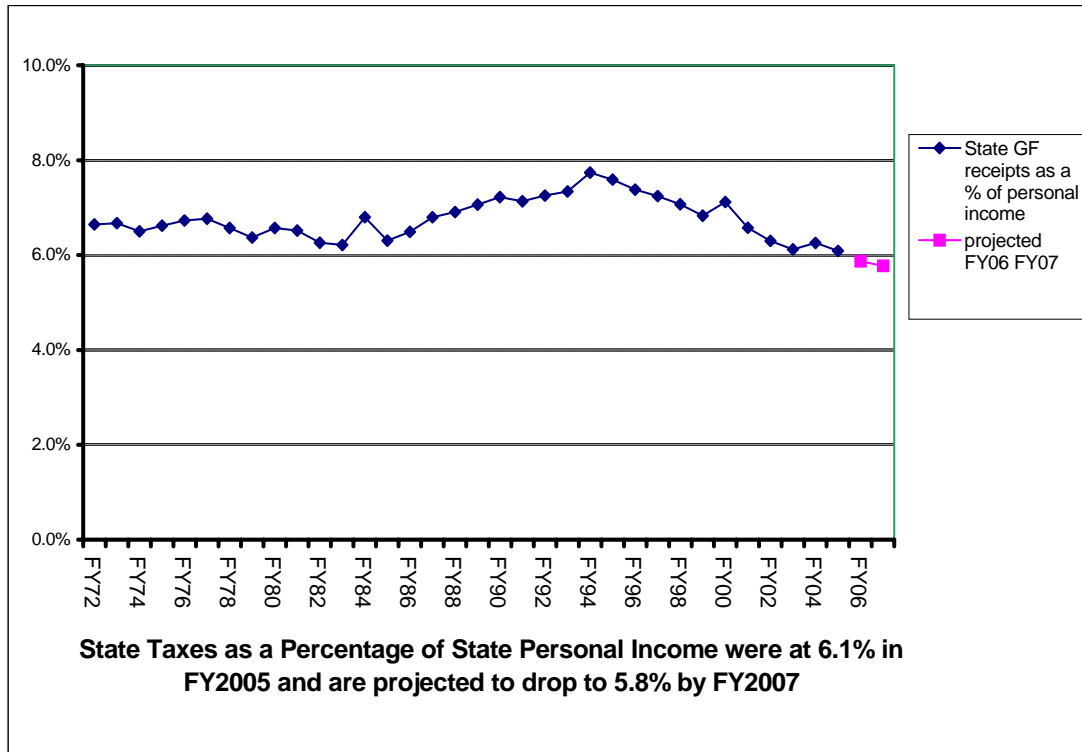
The major sources of General Fund expenditures are for Education, Health and Human Services, Justice, Economic Development, Agriculture and Natural Resources, and Administration and Regulation. Information on Governor Tom Vilsack and Lt. Governor Sally

Pederson's recommendations for FY2007 appropriations are described in more detail in subsequent sections.

Fiscal Year 2005 Summary

The originally enacted General Fund budget of \$4,464.6 million was predicated on 1.5 percent growth in General Fund revenues, as projected by the State's Revenue Estimating Conference (REC) on December 8, 2003. While general fund revenue growth had been either negative or estimated at zero the previous two fiscal years, the estimate reflected the expectation

Iowa's Price of State Government 6.1 Percent in FY2005



Source: Iowa Department of Management, General Fund Revenue for FY2006 and FY2007 as projected by the Revenue Estimating Conference. Personal income 1971-2004 is from Bureau of Economic Analysis. Personal Income 2005-2006 is from Iowa Economic Forecast.

that revenue growth would return with the end of the recession; the National Bureau of Economic Research determined that the national economy returned to economic expansion in November 2001.

At its October 11, 2004 meeting the REC revised upward its FY2005 General Fund revenue estimate upward to \$4,726.5 million. This was based upon the revised base of FY2004 actual revenue growth of 4.5 percent and continued expectation that revenue growth would return to a more normal pattern. On December 14, 2004, the REC again increased the revenue estimate to \$4,746.2 million. The small increase from the October 2004 meeting reflected an acknowledgment that year-to-date revenues were growing faster than expected. An additional revision was made at the April 8, 2005 meeting to increase the General Fund revenue estimate to \$4.825.7 million.

During a special session held on September 7, 2004, legislation provided for a general fund supplemental appropriation for field offices in the Department of Workforce Development for \$6.5 million. During the 2005 legislative session, the General Assembly approved an additional \$80.5 million in General Fund supplemental appropriations, with a majority going to the Medicaid program (\$70 million).

During April, May and June, and throughout the accrual period, actual General Fund revenue collections continued to exceed the official REC projections. At the close of the fiscal year, revenue collections totaled \$4,929.0 million which was 5.2 percent growth. As a consequence, after the transfer to the Property Tax

Credit Fund, the General Fund ending balance for FY2005 totaled \$166.2 million.

Fiscal Year 2006 Update

After legislation was passed and Governor's actions taken into account, FY2006 started on July 1 with estimated Total Net General Fund Receipts at \$4,990.2 million. Net General Fund appropriations for FY2006 were at \$4,938.5 million. After taking into account estimated reversions, this left an ending balance for the General Fund of \$64.2 million.

At subsequent meetings of the Revenue Estimating Conference, the General Fund revenue estimate was revised upward, and is now \$5,075.8 million. This leaves a projected General Fund ending balance of \$149.8 million.

During the last legislative session, there was widespread concern that the budget appropriated for Medicaid was insufficient to meet the demand for covered services. As federal entitlement, Medicaid provides health care for children and disabled Iowans as well as nursing home care for seniors. Despite adopting a series of measures to help keep costs under control, Medicaid expenditures continue to exceed its budget.

In fact, several operating budgets need to be supplemented due to unanticipated rising costs, from additional staffing for the safety of the Iowans to rising fuel and heating costs which provide necessary services for Iowans, and other unanticipated rising costs.

Standard and Poor's Ratings Service Comments

May 13, 2005 Issuer Long-Term Credit Rating AA+/Stable

Rationale:

- The AA+ issuer credit rating (ICR) for Iowa reflects the state's
- Diverse economy that is resuming growth after several slow years;
- Strong fiscal management with a demonstrated willingness to restrain spending and make midyear corrections to maintain fiscal integrity;
- Good financial operations, buoyed by statutory reserves; and
- Very low debt burden.

November 18, 2005 Short Term Rating SP-1

Rationale:

- Iowa's TRANs (Tax and Revenue Anticipation Notes) series 2005 have been rated SP-1 reflecting:
- The state's strong credit position (AA+ issuer credit rating), underscored by conservative fiscal management, and
- Strong debt service coverage at final maturity provided by available general fund balances and other legally available reserves.

As a consequence, Governor Vilsack and Lt. Governor Pederson are recommending supplemental General Fund appropriations of \$27.9 million. Of that amount, \$13.5 million is for Medicaid. Also, an additional \$31.5 million supplemental appropriation is recommended to Medicaid from the Healthy Iowans Tobacco Trust fund. Finally, as a supplemental Federal budget for Federal FY2006 continues to be debated in Congress, Governor Vilsack and Lt. Governor Pederson recommend a contingent supplemental appropriation of \$5 million to the Federal Low Income Home Energy Assistance Program in case Congress does not fully fund the anticipated need of the program.

In FY2005, legislation was passed transferring \$159.7 million from the FY2005 ending balance to the Property Tax Credit Fund to pay for property tax credits in FY2006. While Governor Vilsack and Lt. Governor Pederson recommend continuing this practice in FY2006, they recognize that this cannot be an ongoing practice. Therefore, while they recommend a transfer of \$119.8 million of the ending balance in FY2006 go to the Property Tax Credit Fund, they also recommend \$39.9 million in FY2007 be appropriated to the Property Tax Credit Fund, starting the practice of bringing the credits back to the General Fund.

Fiscal Year 2007

Throughout their terms, Governor Vilsack and Lt. Governor Pederson have provided unwavering support for the financial responsibility of the State. This sup-

port allows the State to continue to enjoy high credit ratings. Standard and Poor's, in their latest update on the State's ratings, continues to give the State a rating of AA+, the second highest possible rating, along with an outlook as stable. Moody's ratings for the State continue to be Aa1, also the second highest rating, and also with a stable outlook.

Governor Vilsack and Lt. Governor Pederson have developed their FY2007 budget recommendations around the fundamental principle of a balanced budget that looks not only at the short term but also the long term. Their FY2007 budget is balanced and meets the 99 percent expenditure limitation. It also reduces the use of one-time funds and expands on revenue diversification through corporate income tax generation, along with an increase in the cigarette tax. These increases bring lagging taxes more into line with other tax generators.

With the recommended budget changes, the State will end FY2007 with an estimated ending balance of \$67.9 million.

The following pages reflect the actual, budgeted, and recommended Estimated Condition of the General Fund of the State of Iowa for FY2005, FY2006, and FY2007, respectively. Also included is a Summary of FY2007 General Fund Budget (Where General Fund Revenues Come From and Where General Fund Appropriations Go) along with related tables reflecting the details of the amounts reported in the Estimated Condition of the General Fund.



State of Iowa

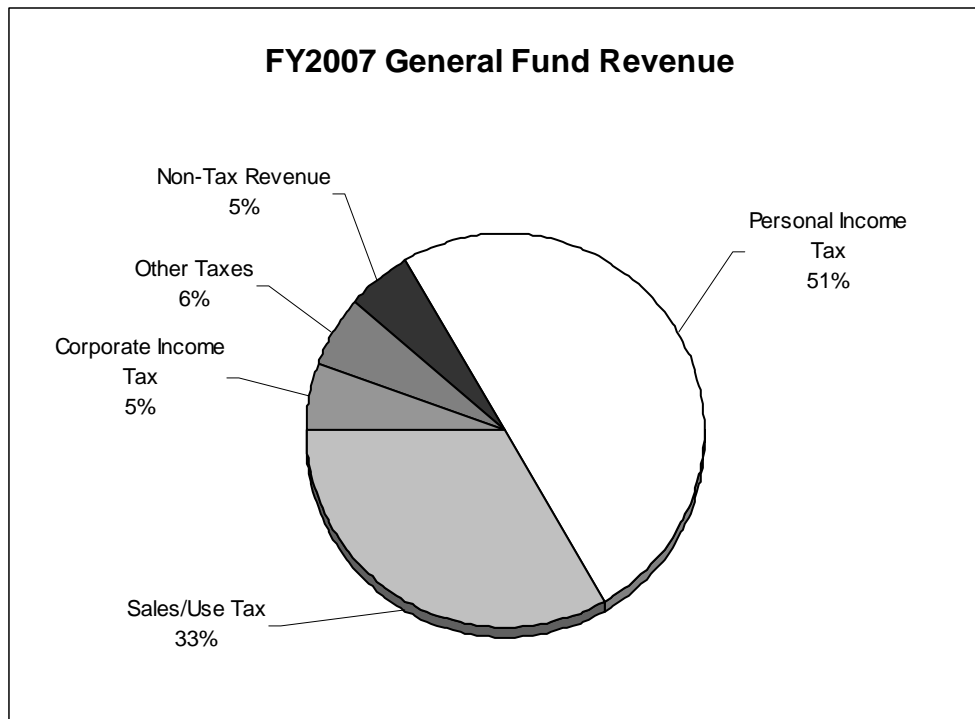
Estimated Condition of the General Fund

Financial Summary

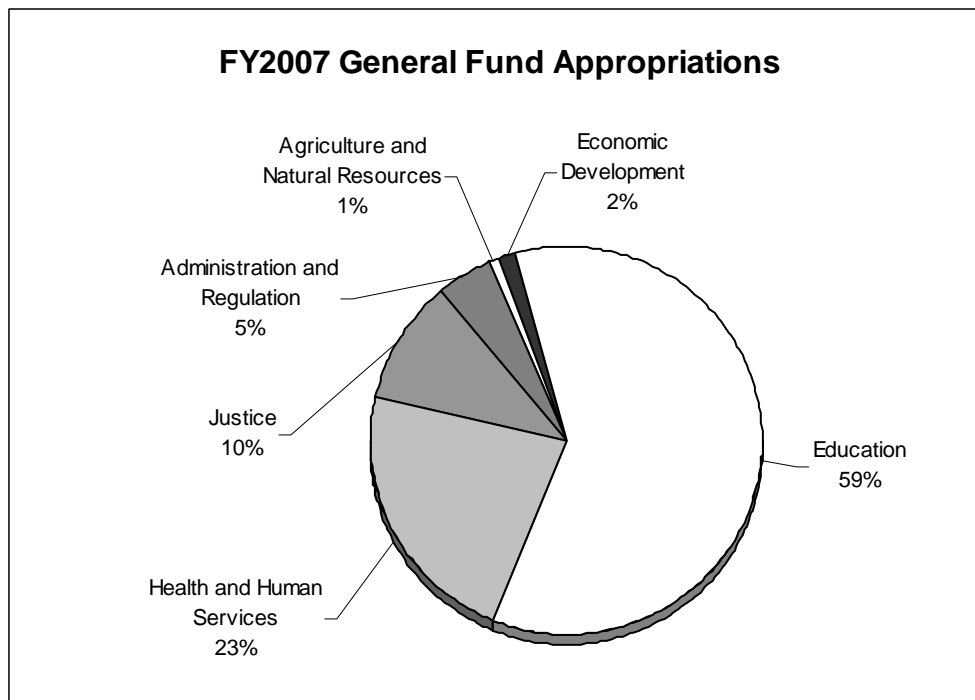
(\$ in Millions)

	Actual <u>FY2005</u>	Estimate <u>FY2006</u>	Governor's Recommendation <u>FY2007</u>
Resources:			
General Fund Revenue	5,657.3	5,712.4	5,886.4
Revenue Adjustments		1.0	47.0
Accruals	(31.4)	13.0	9.5
Refunds	(696.9)	(649.6)	(581.2)
Proposed Revenue Adjustments			
Total Resources	<u>4,929.0</u>	<u>5,076.8</u>	<u>5,361.7</u>
<i>Expenditure Limitation</i>			5,306.5
Appropriations:			
Enacted/Recommended Appropriations	4,519.3	4,938.5	5,306.3
Recommended Supplemental Appropriations	80.5	27.9	
Recommended Deappropriations		(3.0)	
Change in Standing Appropriations	6.2	1.1	
Total Appropriations	<u>4,606.0</u>	<u>4,964.5</u>	<u>5,306.3</u>
Reversions/Estimated Reversions			
Regular Reversions	(2.9)	(10.0)	(10.0)
Operations Reversions		(2.5)	(2.5)
Net Appropriations	<u>4,603.1</u>	<u>4,952.0</u>	<u>5,293.8</u>
Transfer to Property Tax Credits Fund	159.7	119.8	
Ending General Fund Balance	<u>166.2</u>	<u>5.0</u>	<u>67.9</u>

Where General Fund Revenues Come From



Where General Fund Appropriations Go



State of Iowa

Estimated Condition of the Cash Reserve, GAAP, and Economic Emergency Funds

(\$ in Millions)

	Actual FY2005	Estimated FY06	Estimated FY07
<u>CASH RESERVE FUND</u>			
Balance Brought Forward	159.7	222.4	367.7
Estimated Revenues:			
Prior Fiscal Year Ending Balance	166.0	166.2	2.5
Transfer from Federal Funds fund	10.7		
Appropriation from General Fund	45.6		
Total Funds Available	<u>382.0</u>	<u>388.6</u>	<u>370.2</u>
Transfer to Property Tax Credits	(159.6)		
Transfer to GAAP Retirement Account		(20.9)	
Ending Balance - Cash Reserve Fund	<u>222.4</u>	<u>367.7</u>	<u>370.2</u>
<i>Cash Reserve Fund Goal (5%/7.5%)</i>	<i>341.3</i>	<i>367.7</i>	<i>392.3</i>
<u>GAAP Retirement Account</u>			
Balance Brought Forward	-	-	-
Estimated Revenues:			
Transfer From Cash Reserve Fund	-	20.9	-
Total Funds Available	<u>-</u>	<u>20.9</u>	<u>-</u>
Excess to Economic Emergency Fund	-	(20.9)	-
Ending Balance - GAAP Retirement Fund	<u>-</u>	<u>-</u>	<u>-</u>
<u>Economic Emergency Fund</u>			
Balance Brought Forward	3.3	3.3	24.2
Estimated Revenues:			
Transfer From GAAP Retirement Account	-	20.9	-
Total Funds Available	<u>3.3</u>	<u>24.2</u>	<u>24.2</u>
Total Transfers Out:	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance - Economic Emergency Fund	<u>3.3</u>	<u>24.2</u>	<u>24.2</u>
<i>Economic Emergency Fund Goal (5.0%/2.5%)</i>	<i>113.8</i>	<i>122.6</i>	<i>130.8</i>

State of Iowa

General Fund Revenue (Appropriable Revenues)

Cash Basis

(\$ in Millions)

	Actual FY2005	Estimated FY2006	Estimated FY2007
Tax Receipts			
Personal Income Tax	2,782.3	2,811.9	2,913.9
Use Tax	1,812.3	1,872.7	1,935.0
Corporate Income Tax	280.9	311.4	319.2
Inheritance Tax	78.4	70.9	69.6
Insurance Premium Tax	130.9	128.3	126.4
Cigarette Tax	87.4	89.1	90.9
Tobacco Tax	8.7	8.9	9.1
Beer Tax	14.0	14.3	14.6
Franchise Tax	35.4	35.4	35.8
Miscellaneous Tax	0.6	1.0	1.0
Total Tax Receipts	<u>5,230.9</u>	<u>5,343.9</u>	<u>5,515.5</u>
Other Receipts			
Institutional Payments	12.7	12.4	12.9
Liquor Profits	59.0	61.8	61.8
Interest	9.7	10.4	12.0
Fees	72.3	72.5	70.4
Judicial Revenue	59.2	60.9	61.9
Miscellaneous Revenues	65.1	28.4	28.1
Racing and Gaming Revenues	60.0	60.0	60.0
Total Other Receipts	<u>338.0</u>	<u>306.4</u>	<u>307.1</u>
Total Tax & Other Receipts	<u>5,568.9</u>	<u>5,650.3</u>	<u>5,822.6</u>
	5.9%	1.5%	3.0%
Transfers			
Lottery	49.3	53.3	55.4
Other Transfers	39.1	8.8	8.4
Total Transfers	<u>88.4</u>	<u>62.1</u>	<u>63.8</u>
Total General Fund Receipts and Transfers	<u>5,657.3</u>	<u>5,712.4</u>	<u>5,886.4</u>
	6.4%	1.0%	3.0%

State of Iowa

General Fund and Other Funds

Proposed Revenue/Transfer Adjustments

(\$ in Millions)

	Proposed <u>FY2006</u>	Proposed <u>FY2007</u>
General Fund Revenue Adjustments:		
Cigarette and Tobacco Tax Increase	31.5	129.9
Cigarette and Tobacco Tax Increase - Transferred to Healthy Iowans Tobacco Trust Fund	(31.5)	(129.9)
Combined Corporate Reporting		25.0
Beer Tax Increase		7.4
Department of Revenue - Enterprise Collections Services		4.8
Increase Court Costs		2.2
Increase Misdemeanors/OWI		2.0
Increase Speeding Fines		2.1
Additional DCI Agents for Riverboats	1.0	2.6
Additional Racing and Gaming Staff for Riverboats		0.7
Banking Fees Increase		0.2
 Total General Fund Revenue Adjustments	 <u>1.0</u>	 <u>47.0</u>

State of Iowa

General Fund Accrued Revenue Changes

(\$ in Millions)

	Actual FY2005	Estimated FY2006	Estimated FY2007
Tax Receipts:			
Personal Income Tax	169.4	178.4	183.4
Sales/Use Tax	124.9	132.0	135.0
Corporate Income Tax	25.0	25.0	25.0
Inheritance Tax	13.2	13.1	13.1
Insurance Premium Tax	-	-	-
Cigarette Tax	-	-	-
Tobacco Tax	0.7	0.7	0.7
Beer Tax	1.5	1.4	1.4
Franchise Tax	2.9	2.9	2.9
Miscellaneous Tax	(0.1)	(0.1)	(0.1)
Total Tax Receipts	<u>337.5</u>	<u>353.4</u>	<u>361.4</u>
Other Receipts:			
Institutional Payments	4.5	2.0	2.0
Liquor Profits	1.3	1.3	1.3
Interest	1.9	2.0	2.0
Fees	4.0	4.0	4.0
Judicial Revenue	6.3	6.2	6.2
Miscellaneous Receipts	4.4	4.4	4.4
Racing and Gaming	-	-	-
Total Other Receipts	<u>22.4</u>	<u>19.9</u>	<u>19.9</u>
Total Receipts	<u>359.9</u>	<u>373.3</u>	<u>381.3</u>
Transfers:			
Lottery	14.5	15.0	15.0
Other Transfers	7.6	5.2	5.2
Total Transfers	<u>22.1</u>	<u>20.2</u>	<u>20.2</u>
Additional One-Time Adjustments	1.7	1.5	1.5
Total Receipts and Transfers	<u>383.7</u>	<u>395.0</u>	<u>403.0</u>
Net Change	(31.4)	13.0	9.5

State of Iowa

General Fund Refunds of Taxes Paid

(\$ in Millions)

	Actual <u>FY2005</u>	Estimated <u>FY2006</u>	Estimated <u>FY2007</u>
Refunds:			
Personal Income Tax	(540.5)	(489.7)	(435.4)
Sales/Use Tax	(62.1)	(46.5)	(34.1)
Corporate Income Tax	(94.6)	(113.9)	(112.2)
Inheritance Tax	(2.1)	(2.0)	(2.0)
Cigarette Tax	(0.2)	(0.4)	(0.4)
Franchise Tax	(1.6)	(1.5)	(1.5)
Other	(1.2)	(1.2)	(1.2)
Total Gross Refunds	<u>(702.3)</u>	<u>(655.2)</u>	<u>(586.8)</u>
Less: Reimbursements	5.4	5.6	5.6
Total Net Refunds	<u><u>(696.9)</u></u>	<u><u>(649.6)</u></u>	<u><u>(581.2)</u></u>

State of Iowa

General Fund Appropriations by Functional Area

(\$ in Millions)

Functional Area	Actual <u>FY2005</u>	Estimated <u>FY2006</u>	Estimated <u>FY2007</u>
General Fund Appropriations			
Administration and Regulation	212.9	165.0	255.4
Agriculture and Natural Resources	34.9	36.7	37.6
Economic Development	26.9	84.4	81.1
Education	2,895.7	3,016.8	3,188.6
Health and Human Services	954.5	1,123.5	1,204.4
Justice	481.0	513.2	539.2
Transportation	0.1	-	-
Total Gross Refunds	<u>4,606.0</u>	<u>4,939.6</u>	<u>5,306.3</u>

State of Iowa

Recommended General Fund and Other Funds Supplemental Appropriations and Deappropriations

Fiscal Year 2006

	Recommended Amount
Recommended Supplementals:	
General Fund Appropriations	
Department of Corrections	
Central Office	625,000
County Confinement	125,000
Fort Madison	1,557,273
Anamosa	145,939
Oakdale	205,264
Newton	169,669
Mount Pleasant	84,245
Rockwell City	48,646
Clarinda	117,463
Mitchellville	67,630
Fort Dodge	123,396
Department of Human Services	
Medical Assistance	13,500,000
Clarinda	250,000
Department of Inspections and Appeals	
Indigent Defense	4,000,000
College Aid Commission	
National Guard Scholarships	75,000
Department of Public Defense	
Homebuyer Program	1,000,000
Department of Public Safety	
Gaming Officials	1,000,000
Administration	400,000
Board of Regents	
Gilcrest Hall deductible	2,000,000
Secretary of State	
Operations	400,000
Department of Veterans Affairs	2,000,000
Disabled Veterans Program	
Total General Fund Supplemental Appropriations	27,894,525
Healthy Iowans Tobacco Trust Fund	
Department of Human Services	
Medical Assistance	31,500,000
Total Other Funds Supplemental Appropriations	31,500,000
Recommended Deappropriations	
General Fund Appropriations	
Iowa Veterans Home	
Operations	(3,000,000)
Total General Fund Deappropriations	(3,000,000)
Contingency Supplemental Appropriation from the General Fund: LIHEAP	5,000,000

State of Iowa

Calculation of Cash Reserve Fund and Economic Emergency Fund Percentage Goals Fiscal Year 2006 and Fiscal Year 2007

(\$ in Millions)

Fiscal Year 2006

December 2004 Revenue Estimating Conference Net Receipts Estimate	4,903.0
Cash Reserve Fund 7.5% Goal	367.7
Economic Emergency Fund 2.5% Goal	122.6

Fiscal Year 2007

December 2005 Revenue Estimating Conference Net Receipts Estimate	5,230.7
Cash Reserve Fund 7.5% Goal	392.3
Economic Emergency Fund 2.5% Goal	130.8

State of Iowa

Calculation of Statutory Expenditure Limit

Fiscal Year 2007

(\$ in Millions)

	Proposed <u>FY2007</u>	<u>% Calculation</u>	FY07 Expenditure <u>Limitation</u>
Revenue Estimating Conference Estimate	5,886.4	99%	5,827.5
Accruals	9.5	99%	9.4
Refunds	(581.2)	99%	(575.4)
Revenue Adjustments:			
Combined Corporate Reporting	25.0	95%	23.8
Additional DCI Agents for Riverboats	2.6	99%	2.6
Additional Racing and Gaming Staff for Riverboats	0.7	99%	0.7
Additional Beer Tax	7.4	95%	7.0
Increase Speeding Fines	2.1	95%	2.0
Increase Misdemeanors/OWI	2.0	95%	1.9
Enterprise Collections Services	4.8	99%	4.8
Banking Fees Increase	0.2	99%	0.2
Increase Court Costs	2.2	95%	2.1
Total Revenue Adjustments	<u>47.0</u>		
FY07 Expenditure Limitation			<u>5,306.5</u>

DRILLING PLATFORMS & POLICY HIGHLIGHTS

- ENTERPRISE STRATEGIC PLAN
- STUDENT ACHIEVEMENT
- TRANSFORMING THE ECONOMY
- HEALTHY IOWANS
- SAFE COMMUNITIES
- NATURAL RESOURCES
- ACCOUNTABLE GOVERNMENT
- TRANSPORTATION / INFRASTRUCTURE

ENTERPRISE STRATEGIC PLAN

This plan fulfills Accountable Government Act Section 8E.204, providing an enterprise strategic plan “to promote long-term and broad thinking, focus on results for Iowans, and guide the allocation of human material resources and day-to-day activities.” Agency strategic and annual performance plans show how this enterprise strategic plan is implemented throughout State government. Vilsack-Pederson budget recommendations provide the resources to implement the Fiscal Year 2007 components of both enterprise and agency planning.

Vision: **Make Iowa the best place to live, work, and raise a family**
Mission: **Grow Iowa**
Values: **Opportunity, Responsibility, Security**

Improve Student Achievement

- Create a strong early care, health, and education system
- Renew our commitment to an integrated P-16 system
- Strengthen the workforce connection between education and business/labor
- Reduce the racial achievement gap

Transform the Economy

- Expand economic opportunity and job growth by investing in business expansion and development
- Increase the number of employed workers with college experience
- Attract and retain a diverse workforce
- Multiply cultural and recreational opportunities to attract young people to Iowa

Advance the Health of Iowans

- Provide greater security by increasing health care quality, access, and affordability
- Improve preventative strategies and health education
- Enhance quality of life

Strengthen Community Safety, Particularly for Vulnerable Iowans

- Focus on vulnerable populations, including children, dependent adults, and those at risk of domestic violence
- Emphasize prevention, with a focus on early childhood and youth development
- Prepare those leaving the justice system to lead productive lives

Enhance the Quality of Our Natural Resources

- Improve water quality throughout Iowa
- Enhance opportunities for outdoor recreation
- Promote the use and development of sustainable resources

Improve Government Accountability and Infrastructure

- Reinvent Iowa government to provide better services at less cost
- Invest to maximize productivity and minimize life cycle costs

Find detail supporting the outline above in the FY2007 Purchasing Results documents:

<http://purchasingresults.iowa.gov> , including:

- Requests for Results, including Indicators, Strategy Maps, and Purchasing Strategies, which broadly show what results we want to achieve, how we will know if we are achieving them, and our basic approaches for achieving the results
- Offers, which show how agencies and their partners will achieve the desired results

Additional data for State goals appear at <http://www.resultsiowa.org/index.html>

For further information, please contact:

Jim Chrisinger, Department of Management, 515.281.6537 or Jim.Chrisinger@iowa.gov

STUDENT ACHIEVEMENT

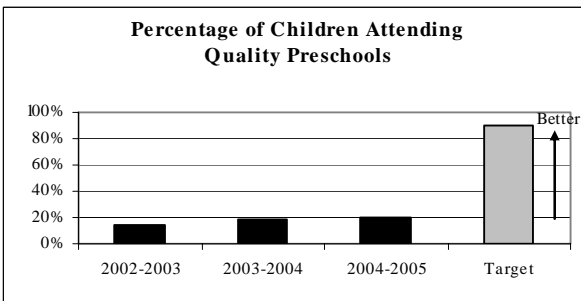
Student Achievement

Central to our ability to accomplish the goal of creating an Iowa that is the best place to live, work and raise a family is a world-class education system. Our children must be afforded every opportunity to succeed in life. Iowa and the nation must become more creative, more innovative, and more highly educated, to compete in the global economy. Governor Vilsack and Lt. Governor Pederson propose a meaningful investment of state dollars where it matters most—early in life. Receiving significant funding will be early childhood, teacher quality, community colleges, AEA's, Iowa Tuition Grant, and Regents' universities.

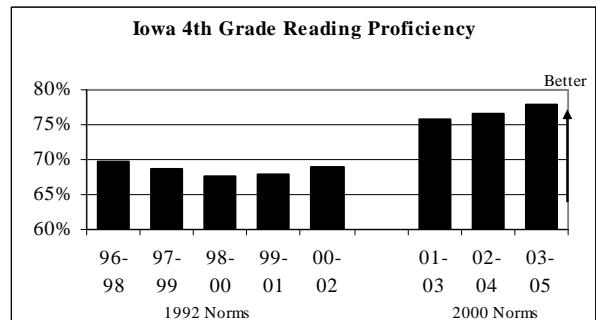


Iowa Strong Start

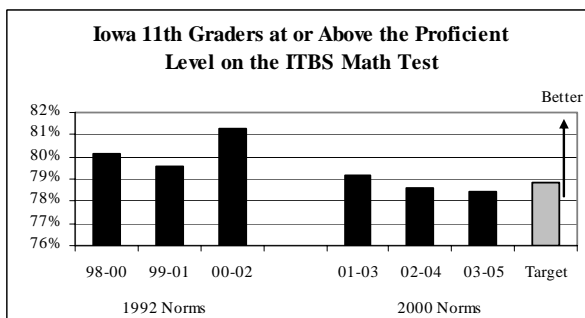
To ensure all children are healthy and have a real chance for success, we must continue our comprehensive commitment to young children that integrates and coordinates efforts in early care, health and education. We must make a long-term commitment to providing access to quality preschool opportunities. We will create a stable and long-term funding mechanism similar to the existing K-12 funding formula that would provide resources to ensure access to quality preschool programs for all four year olds state-wide. We will improve child care through the Quality Rating System, increase access to dental care and healthy mental development, and assist communities in developing early care, health and education sys-



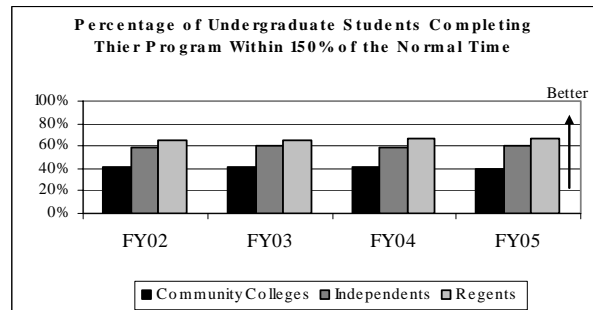
Data Source: Iowa Department of Education Shared Visions and District Data, Iowa Department of Human Services Access Data System; NAEYC Website: Accredited Program Search; Head Start Program Information Report for 2002-2003: Total Actual Enrollment



Data Source: University of Iowa, Iowa Testing Programs



Data Source: Department of Education



Data Source: Iowa Department of Education; Iowa community College, Management Information System; Iowa College Student Aid Commission, Information Digest of Post Secondary Education; Iowa Board of Regents

tems. Governor Vilsack and Lt. Governor Pederson propose an increase of \$75 million over five years to provide every child in Iowa access to high quality pre-school as well as the following recommendations:

- Implement child care Quality Rating System \$3.855 million
- Increase dental care and healthy mental development \$475,000
- Increase technical assistance to Community Empowerment Areas \$375,000

Student Achievement/Teacher Quality

Teacher quality is the most significant factor influencing student achievement. Iowa's children deserve the best, brightest, and most dedicated teachers in every classroom in the State. Governor Vilsack and Lt. Governor Pederson's initiative builds upon the original Student Achievement and Teacher Quality Program and makes a five-year, \$30 million increase per year funding commitment. Additional resources for teacher compensation and professional development will be provided as well as establishment of an administrator quality program. This will directly work to improve the quality of instruction in classrooms across Iowa and will result in improved student performance.

Vanguard School Grants

Now more than ever schools must be creative learning centers. To allow Iowa's school districts to be at the forefront of national efforts to spur innovation in the classroom, Governor Vilsack and Lt. Governor Pederson propose the creation of the Vanguard School Grant Fund. The fund will collect unexpected revenues that

the State receives at the end of the fiscal year to allow the State Board of Education to provide five-year grants to school districts for innovative proposals in the following areas:

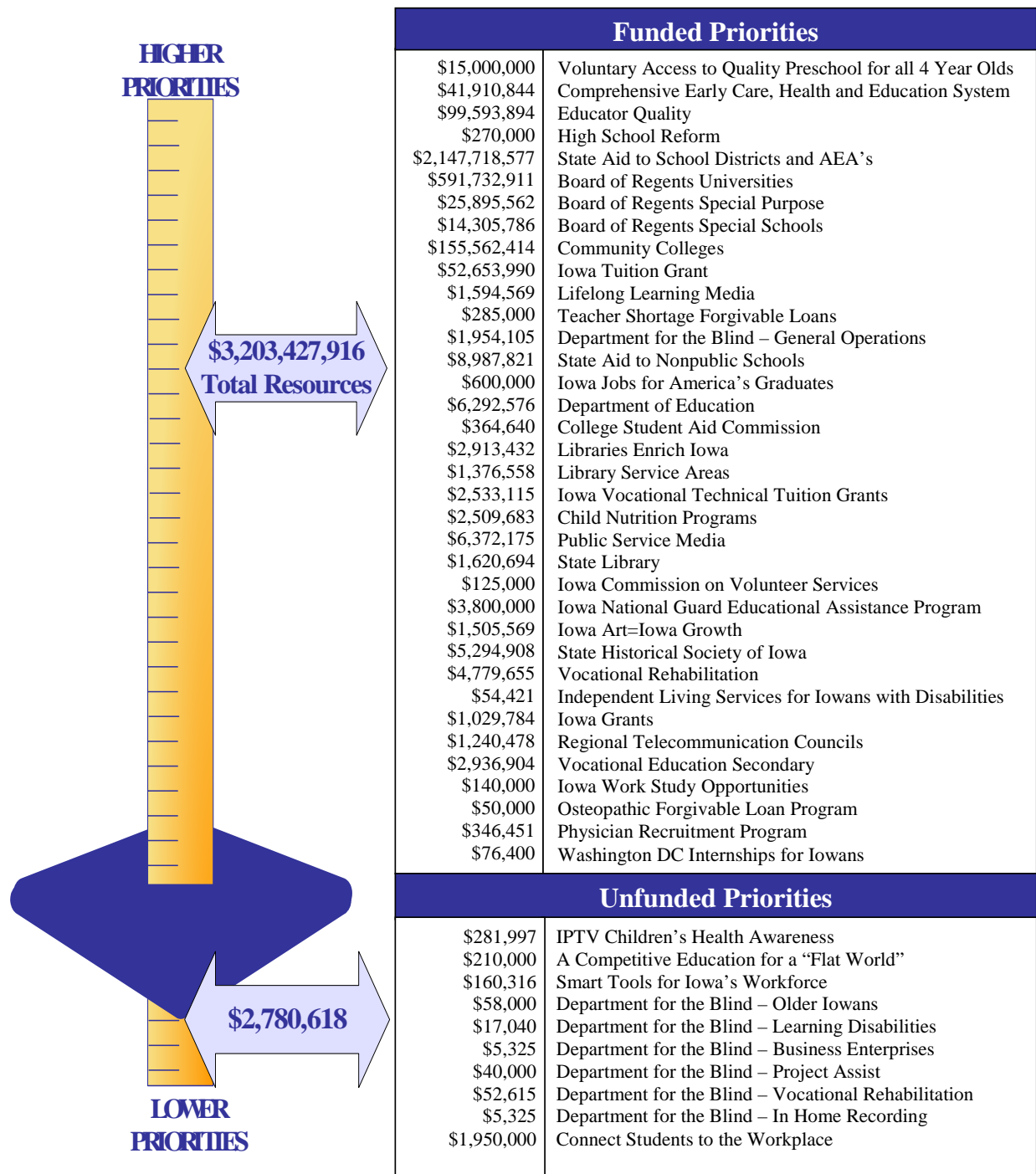
- Increasing access to advanced placement courses and web-based learning opportunities
- Assisting low-performing schools
- Recruiting and retaining teachers in areas experiencing shortages
- Establishing parent liaison programs
- Sharing and consolidating school schedules and calendars
- Expanding or maintaining technology in the classroom
- Returning fine arts courses to schools
- Staffing libraries with certified teacher-librarians
- Providing extra learning opportunities

Other Student Achievement Highlights

- \$85 million to school districts and AEA's for allowable growth, including \$10 million to the AEA's
- \$30 million to the Regents for year two of the Transformation Plan
- \$6 million to community colleges for educational programming
- \$3 million to expand the Iowa Tuition Grant program
- \$500,000 to grow the Enrich Iowa open access program and enhance the State Library collection
- \$200,000 to expand the Iowa Jobs for America's Graduates program
- \$100,000 for non-public school transportation and text books



DRILLING PLATFORM STUDENT ACHIEVEMENT



TRANSFORMING THE ECONOMY

Targeted Industries Growth Initiative

Technology, innovation, and productivity—the watchwords of the New Economy—have long been part of the business climate in Iowa. With the formation of the Iowa Values Fund in 2003, Governor Vilsack and Lt. Governor Pederson created the single largest economic development tool in the history of the State. Aware of this potential, the Iowa Department of Economic Development retained the services of Battelle Memorial Institute to produce a formal strategy and roadmap to drive economic growth in the advanced manufacturing, biosciences, and information solutions/financial services sectors.

Through interviews and focus groups with industry leaders, members of the academic community, and users of the products and services, the Battelle Group identified the critical segments of each sector where Iowa needs to concentrate its development efforts. In our increasingly technology based economy, innovation, and the commercialization of innovation, will continue to drive the success of Iowa's economy. The Battelle Group concluded that it is vital for the State of Iowa to make commercialization and industry partnering not only a core mission of its Regents Universities, but also one that is well funded by the State.

Governor Vilsack and Lt. Governor Pederson propose an investment of \$50 million over three years from the tobacco settlement refinancing proceeds to Iowa's Regents University system for investment in the infrastructure recommendations from the Battelle Group. Because private sector involvement is essential to the process, the Regents will work in concert with the industry steering groups, the Department of Economic Development Commercialization Committee, and the Chief Technology Officer to prioritize the investment for maximum impact.

Lean Manufacturing Institute

Iowa's advanced manufacturing sector has been, and continues to be, a pillar of our economy by providing well-paying jobs for our residents. Maintaining and expanding the economic opportunities for advanced manufacturing in Iowa will depend on the industry's ability to innovate and move new processes and products into the market rapidly. The Lean Manufacturing

process is the major backbone of many manufacturing firms' efforts to increase productivity and reduce costs.

Following the recommendation of the Battelle Group, Governor Vilsack and Lt. Governor Pederson propose the creation of a statewide Lean Manufacturing Institute to provide executive-level, in-depth training assistance for Iowa's manufacturing firms. An appropriation of \$250,000 to the Iowa Department of Economic Development in FY2007 is recommended to initiate the institute.

Iowa Biosciences Alliance

To prosper in the increasingly technology based, global economy, the State of Iowa must commit itself to leveraging existing organizations and programs and developing new initiatives in technology driven fields. Human, animal, and plant biosciences present tremendous business opportunities in areas such as biorenewable fuels, drugs and pharmaceuticals, medical devices and biomaterials.

As part of its research, the Battelle Group identified seven platforms within the State's biosciences industry with high growth and high impact potential for Iowa. After defining Iowa's unique capabilities—where the state's raw materials meet the research prowess and educated population—Battelle developed Iowa's pathway for success to grow and excel in the biosciences. From this strategic roadmap emerged the creation of the Iowa Biosciences Alliance, a 45 member board made up of representatives from academia, government and most importantly, the private sector.

The mission of the alliance is to facilitate communications, foster collaboration on common issues, and develop a critical mass of support to stimulate the actions required to realize Iowa's bioscience vision. To achieve this aim, Governor Vilsack and Lt. Governor Pederson recommend an appropriation more than \$3 million in FY2007 to allow the Iowa Biosciences Alliance to invest in the following strategic areas:

1. Building Iowa's bioscience research capacity around the seven technology platforms focusing on investments in talent, facilities, and equipment;
2. Encouraging and facilitating the commercialization of bioscience research to enhance opportunities

for start-up, emerging, and existing companies;

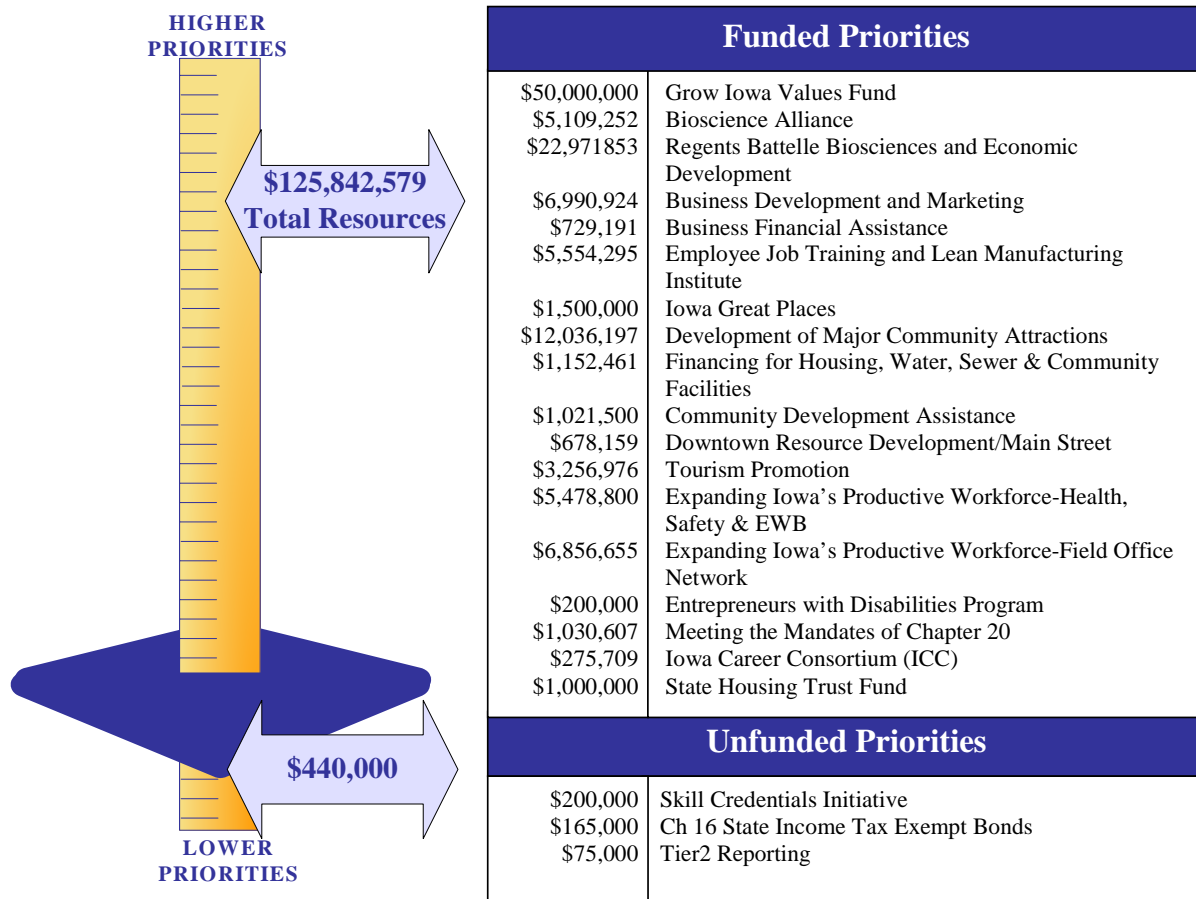
3. Fostering a positive business environment that supports, sustains, and encourages growth and sustainability of biosciences firms in Iowa;
4. Developing Iowa's talent pool specific to the biosciences industry.

The goal of this initiative in FY2007 is to create 10 new bioscience business opportunities and attract 300 additional jobs to the state.

Other Economic Development Highlights

- \$50 million to the Department of Economic Development's Grow Iowa Values Fund
- \$1.3 million to the Department of Cultural Affairs to expand the Iowa Great Places initiative
- \$12 million to the Department of Economic Development's Community Attraction and Tourism program

DRILLING PLATFORM TRANSFORM IOWA'S ECONOMY



HEALTHY IOWANS

Tobacco Tax

The health security of Iowans is threatened by the use of tobacco products—costing us all in dollars and cents, and some with our lives. Each year smoking costs all Iowans in increased medical costs and lost productivity – last year alone the state spent more than \$277 million in medical related expenses for smoking related illnesses while the state only collected \$88 million in cigarette taxes. In order to preserve the State’s commitment to health care, smokers must assume greater responsibility of the costs of smoking-related illnesses.

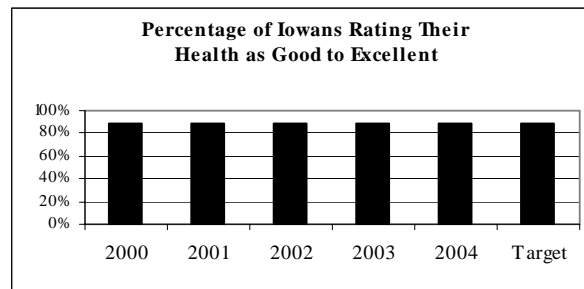
Governor Vilsack and Lt. Governor Pederson recommend raising the cost of every pack of cigarettes by \$0.80 to ensure that fewer children will begin smoking. Revenues from the increase in the tobacco tax will be transferred to the Healthy Iowans Tobacco Trust to expand smoking prevention programs, fund health insurance relief



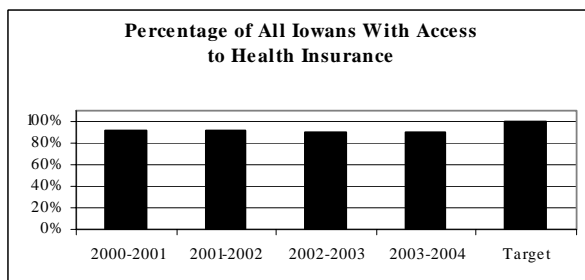
for small businesses and school districts, support the Medicaid program, and create a means to repay the Senior Living Trust. This will protect the health security for Iowa’s most vulnerable populations.

Small Business and School District Health Insurance Assistance

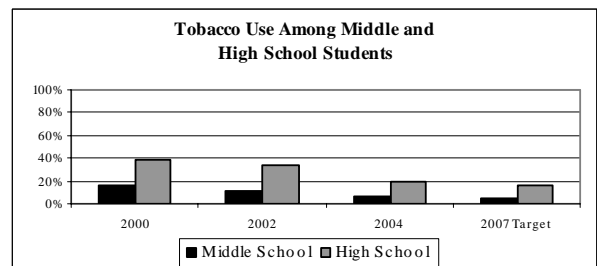
Increasing costs of health care are having a significant impact on small businesses. In Iowa, businesses have faced double-digit increases in health insurance premiums the last few years. At that rate, the cost of health insurance for employees doubles within four to five years. These increases force our small employers to choose between their employees’ health and investing in their business. Iowa small businesses need both healthy employees and resources to invest in their future to grow and thrive. Without a healthy workforce, businesses pay a cost in lost time and productivity. Furthermore, to attract a strong workforce in a competitive environment, small businesses must be able to



Source: Iowa Department of Public Health, Behavioral Risk Factor Surveillance System (BRFSS)



Source: U.S. Census Bureau Current Population Survey



Source: U.S. Census Bureau Current Population Survey

offer a comprehensive health benefit package. Similarly, Iowa school districts are impacted by rising health care costs. Resources that should be invested student achievement and teacher quality are instead diverted to cover rising health care costs. Governor Vilsack and Lt. Governor propose \$30 million in revenue from an increase in the tobacco tax to create small business and school district reinsurance funds that will provide assistance with high cost claims and relief from increasing premiums.

Mental Health Redesign

All persons with disabilities should have the opportunity to live, work, learn and participate fully in the community to their maximum potential. We support a results focused Mental Health/Mental Retardation/Developmental Disability/Brain Injury (MH/MR/DD/BI) system that makes mental health services consumer and family driven, reduces disparities in access to services and increases positive results from services provided. Governor Vilsack and Lt. Governor Pederson's budget recommendations take steps to make these system improvements and fully fund the MH/MR/DD/BI allowable growth increase adopted last legislative session.

Meeting the Needs of Older Iowans: Case Management and Consumer Choice

At some point in their lives, all older Iowans and their families are confronted with difficult choices about their long-term living needs. Unfortunately, all too

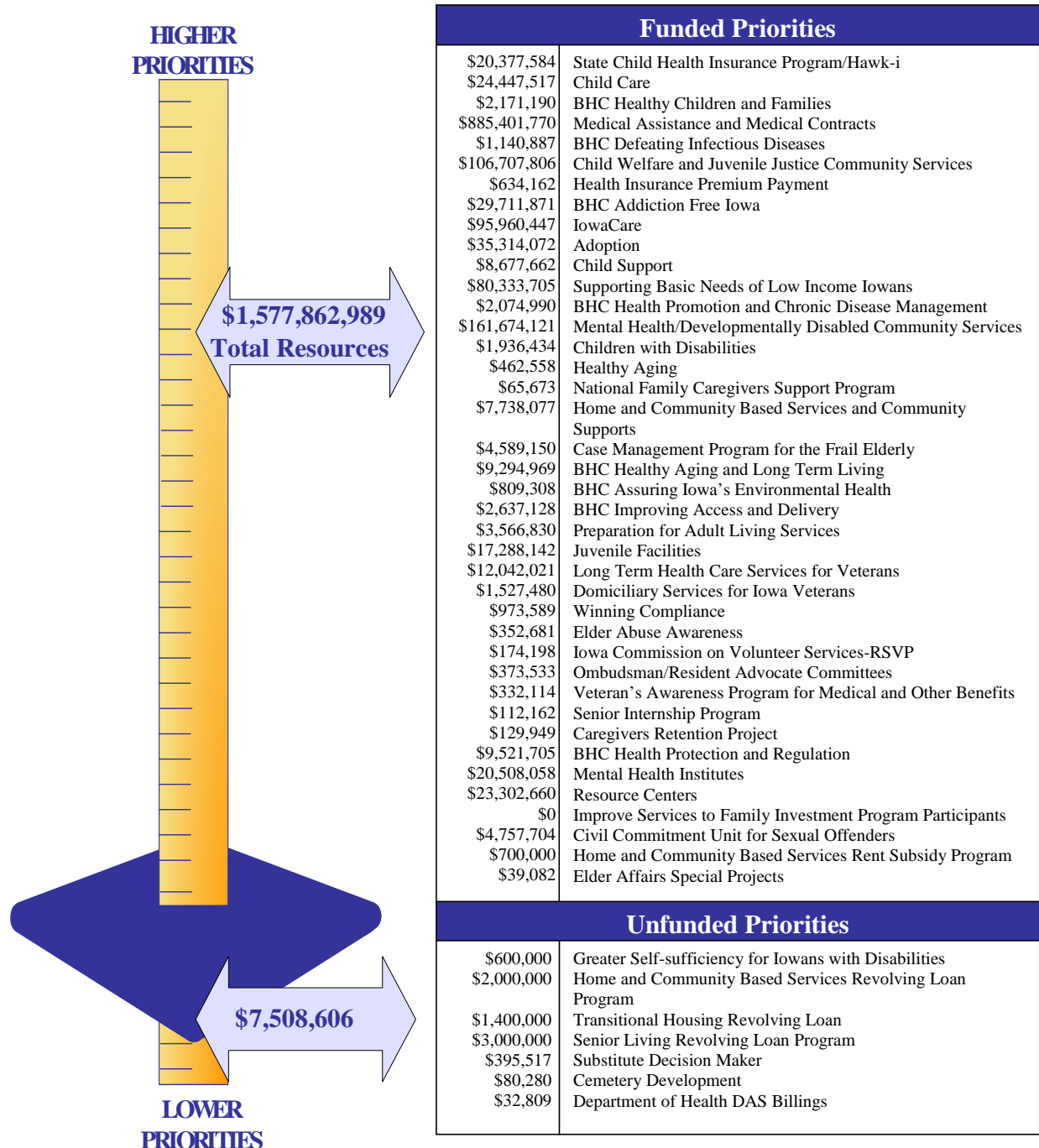
often, they are unaware of which services will best meet their needs and if those services are available to them. In many cases a home delivered meal, transportation assistance, a home health worker or other home and community-based services can help a person stay in their home longer and at less expense.

Older Iowans deserve the freedom to choose from a variety of living and service options that guarantee their dignity, autonomy and independence. By helping older Iowans better understand what services they need and ensuring that they are available to them, we will provide them with the ability to make informed choices about the type of quality care that is best for them. Governor Vilsack and Lt. Governor Pederson budget recommend an increase in funding for the Case Management Program for the Frail Elderly and the creation of the Consumer Choice, Support and Education Program to meet these needs.

Other Healthy Iowans Highlights

- \$6 million increase in child care funding to fully implement the child care eligibility and provider rate increases passed into law last session
- \$2.2 million for Preparation for Adult Living Services (PALS) to expand services for individuals aging out of foster care to age 21
- \$4 million increase in funding for tobacco use prevention, cessation and treatment
- \$2 million to create a Veterans Disability fund to provide up to a \$10,000 benefit to Iowa Veterans who have been severely injured or disabled in combat since September 11, 2001

DRILLING PLATFORM HEALTHY IOWANS



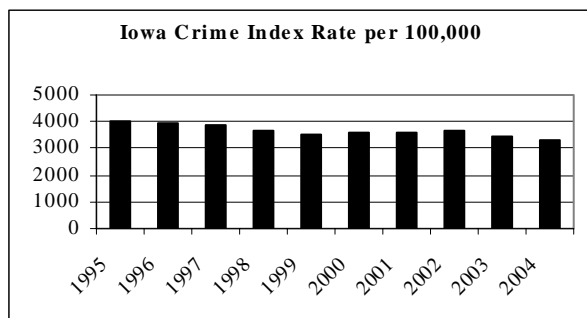
SAFE COMMUNITIES

State Fusion Center

The demand for intelligence information by the State and local government officials has broadened considerably in recent years. Officials who are responsible for homeland security in our State must have accurate, reliable, and timely information to understand the nature and extent of the threats, vulnerabilities, and risks facing Iowans. In response to these demands, the Department of Public Safety and Homeland Security and Emergency Managements partnered together in 2005 to form the State Fusion Center. The Center “fuses” traditional criminal intelligence gathering, analysis, and dissemination with the broader intelligence needs to serve homeland security efforts as a partnership among local, state, and federal agencies, as well as the private sector. Governor Vilsack and Lt. Governor Pederson recommend \$665,000 in FY2007 to continue the State Fusion Center operations.

Criminal Justice Information System

Iowa’s Criminal Justice Information System (CJIS) integration initiative intends to develop a statewide, seamless, real-time information sharing system to allow criminal justice agencies to exchange information electronically within the criminal justice community. Currently, there are three established, real-time, criminal justice exchanges processes in place. Governor Vilsack and Lt. Governor Pederson recommend \$2.6 million in FY2007 to fund Criminal Juvenile Justice Planning Agency’s CJIS efforts to allow as many as fifteen agencies within the criminal justice community to have the capacity to participate in automated exchange processing.



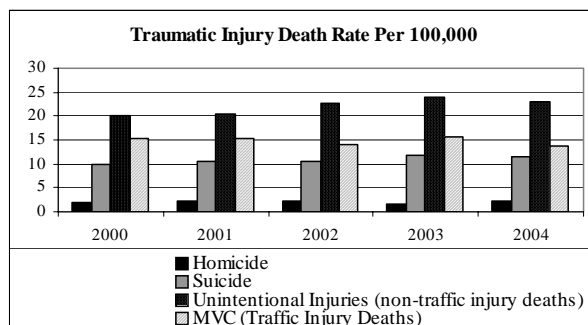
Data Source: FBI, “Crime in the United States”

Criminal Science Investigation

Criminal investigations serve as a vital and versatile resource for the entire Iowa criminal justice system through prevention, education, crime detection and prosecution. Services include analysis and comparative studies of evidence, fingerprint identification, firearms identification, questioned documents studies, internet crimes, and criminalistics lab work. Governor Vilsack and Lt. Governor Pederson propose an additional \$652,000 in FY2007 to continue and expand operations of an all-felons DNA database. This will assist law enforcement agencies, leading to more effective criminal investigations.

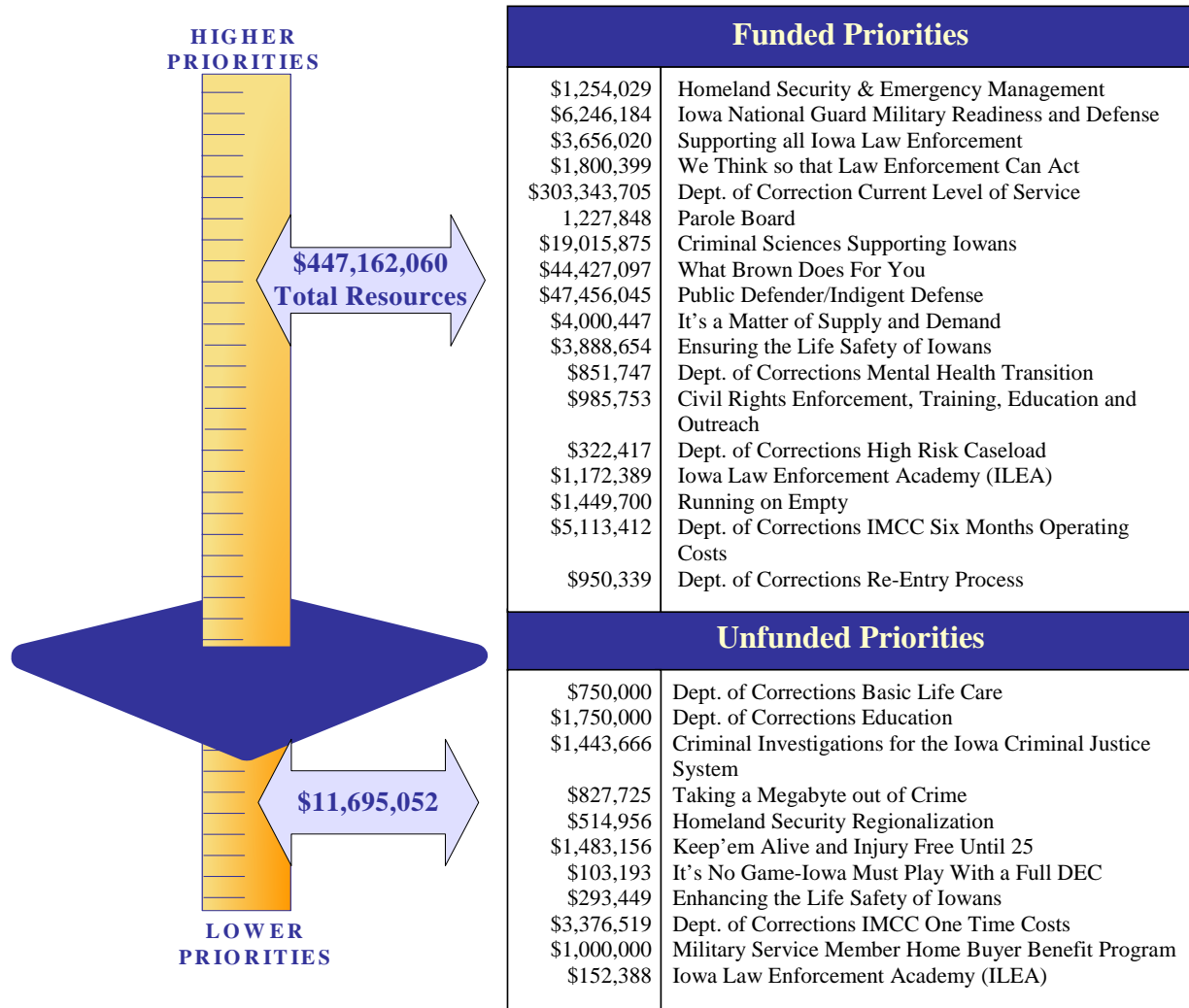
Other Safe Communities Highlights

- \$300,000 to the Department of Public Safety to upgrade software for the Iowa Sex Offender Registry
- \$2.4 million to the Department of Corrections for Global-Positioning-System monitoring and treatment of sex offenders.
- \$722,000 to the Department of Corrections to increase treatment of mental health needs in Iowa’s prison
- \$8.4 million to the Department of Corrections for one-time equipment costs and to operate the expanded special needs and mental health behavioral unit at the Iowa Medical Classification Center in Oakdale.
- \$950,000 to the Department of Correction to reduce recidivism by increasing supervision in the community based corrections system
- \$4.8 million pass through increase to the Judicial Branch budget



Data Source: Iowa Department of Public Health, Center for Health Statistics, vital Statistics of Iowa Publications, Table 4

DRILLING PLATFORM SAFE COMMUNITIES



NATURAL RESOURCES

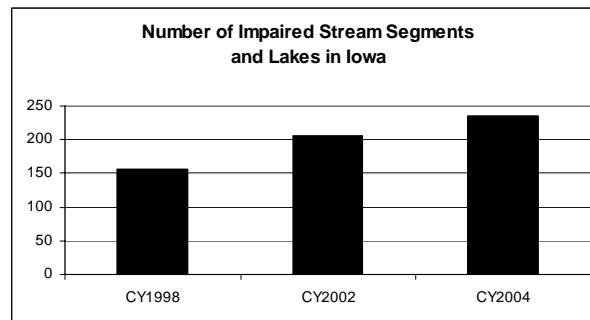
Water Quality

Iowa has an abundance of diversified water resources. With more than 72,000 miles of rivers and streams, 182,000 acres of lakes, reservoirs and wetlands we have a responsibility to assure our water is clean and safe. Clean water is essential to the growth of all Iowa communities no matter how large or small they may be. Governor Vilsack and Lt. Governor Pederson propose an investment of \$50 million over three years from the tobacco settlement refinancing proceeds beginning in FY2007 to improve Iowa's water quality.

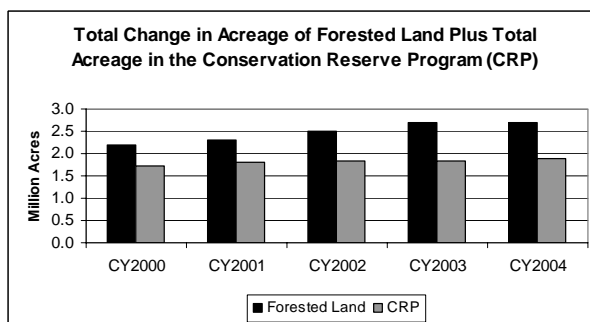
Watersheds

The key to cleaner water is a quality monitoring program that regularly tracks surface and groundwater

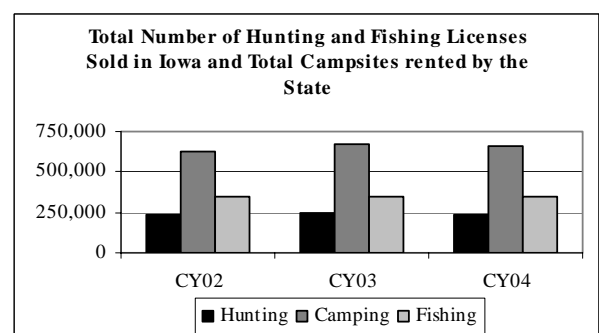
across the state. Iowa now has sixty-four watershed projects that are in various stages of completion that will reduce soil erosion, improve water quality, provide flood control and protect other natural resources. We must continue the cooperation of state, local and federal officials in working with private landowners to accelerate our protection efforts. The Water Quality Initiative is providing a comprehensive approach to addressing water quality impairments. Iowa is already making progress with increased buffer strips, an increase in participation in continuous Conservation Reserve Program, more wetlands construction and restoration, nutrient management and a reliable monitoring system. Governor Vilsack and Lt. Governor Pederson recommend a strong commitment to continue these water quality efforts by investing \$20 million in the Watershed Improvement Review Board over the next three years.



Data Source: Iowa Department of Natural Resources; U.S. Environmental Protection Agency, List of Impaired Waters



Data Source: U.S. Forest Service inventory; U.S. Natural Resources and Conservation Service data



Data Source: Department of Natural Resources license sales records

Lakes Restoration and Preservation

This initiative provides additional resources to clean up lakes that do not have impaired watersheds. Iowa has several examples communities working to improve the quality of water in local lakes that has in turn boosted economic growth and vitality. Improvements can include dredging, shoreline stabilization and acquisition of easements for critical habitats within watersheds. Governor Vilsack and Lt. Governor Pederson recognize and appreciate the economic opportunities that lakes provide and propose that \$20 million over three years be available to communities to restore the quality of the water in our lakes.

Water Treatment and Federal Conservation Program

In addition to investing in watersheds and lakes, Iowa must also help smaller communities by providing

grants to supplement and leverage State Revolving Funds to upgrade local water treatment facilities.

Smaller communities will also be able to apply for no-interest loans. These funds will also be used to expand the non-point source projects in agriculture and brown-fields cleanup and redevelopment. Governor Vilsack and Lt. Governor Pederson's budget calls for \$10 million to be made available to fund these local initiatives over the next three years.

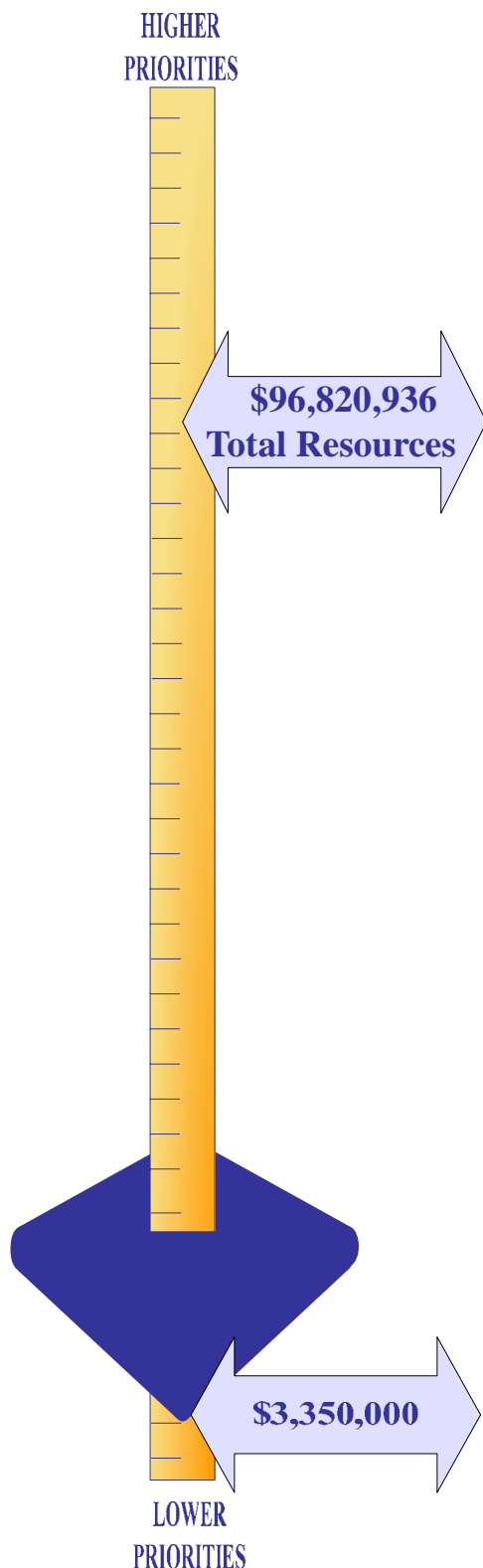
Other Natural Resources Highlights

- \$1.5 million to the Department of Natural Resources to permanently protect unique natural areas that rise to the level of statewide significance
- \$800,000 increase to Department of Natural Resources to expand REAP (Resource Enhancement and Protection)



DRILLING PLATFORM

NATURAL RESOURCES



Funded Priorities

\$8,800,611	To maintain critical activities related to the protection and enhancement of Iowa's natural resources & quality outdoor recreation opportunities, parks, preserves, lakes, rivers, forests and wildlife areas contributing to the health and well being of Iowa's families
\$5,199,533	To implement a comprehensive state-wide watershed management approach, which facilitates active engagement of local organizations and private landowners to address complex water quality and natural resources issues
\$3,792,435	To implement programs related to quality of life such as compliance with health-based drinking water and air quality standards, to reduce potential impacts to drinking water supplies, to reduce illegal dumping, to ensure quick response to environmental spills, etc.
\$32,477,525	To maintain services related to protect and to enhance Iowa's natural resources and quality outdoor recreation
\$3,455,832	To protect & improve Iowa's groundwater resources
\$200,000	To maintain services related to the administration of the Underground Storage Tanks
\$75,000	To enhance the public safety and health of our state park visitors and Iowa's natural resources and quality outdoor recreation activities
\$100,000	To continue energy state programs
\$50,000	To work with the Pollution Prevention Intern program
\$275,000	To continue the Air Quality monitoring efforts
\$1,845,000	To increase Water Patrol efforts
\$195,000	To maintain and improve DNR's GIS system
\$2,955,000	To maintain water monitoring efforts
\$11,800,000	To implement Resource Enhancement And Protection Program
\$500,000	To maintain IA's public lakes, streams
\$2,500,000	To continue the established program that improves the quality of lakes and other boating areas
\$100,000	To maintain the Keeper's of the Land Volunteer Program
\$2,000,000	To provide resources to sustain status quo efforts for operations and maintenance of parks and preserves
\$500,000	To maintain status quo funding for Water Supply programs
\$20,000,000	To invest into Iowa's water quality including watershed protection, lake restoration and a commitment to the infrastruc-

Unfunded Priorities

\$800,000	To enhance the Department's comprehensive state-wide watershed management approach
\$250,000	To enhance watershed work by cleaning up targeted lakes and wetlands
\$800,000	To enhance water quality monitoring efforts
\$1,000,000	To increase funding for the Resource Enhancement And Protection Program
\$500,000	To increase efforts to restore deteriorated lake water quality

ACCOUNTABLE GOVERNMENT

Lean Business Processes

During the past two years ten state departments have sponsored 24 business process review events which resulted in months and in some cases years of time saved for citizens and other departments. Processes that have been reviewed include a wide range: Air and water quality permitting, Offender Re-Entry, medication administration, and grant processing. These events were initially encouraged by a partnership between the Iowa Council for Innovation and Growth (ICIG) and IDNR, DED & DOM. The state departments have been mentored and financially supported by private sector businesses including Pella Windows, Alliant Energy and Rockwell Collins. The dramatic and immediate results that have been produced a growing demand for time and cost to the private sector partners have been asked to bear. FY2007 is the time to institutionalize the Lean movement by assigning a permanent home in DOM and funding training for facilitators within several departments.

Enterprise Collections

The state is owed several hundreds of millions of dollars in unpaid taxes, court fees and penalties and state departments are engaged in various collections activities for non-revenue items like student loans as well. Upgrading the collection services operations of the Department of Revenue with the latest software and databases will begin to pay an immediate return on investment. To spread up-front cost over four years and reduce risk of software application development, the Department recommends converting the collections operation to a performance-based enterprise. The Division has operated as a public-private partnership for several years. They estimate the return on investment of over 40 percent over a five years period beginning in FY2007. Further, with better, faster data resources they believe they can offer services to a wider range of state departments and possibly local governments as well.

Entrepreneurial Management

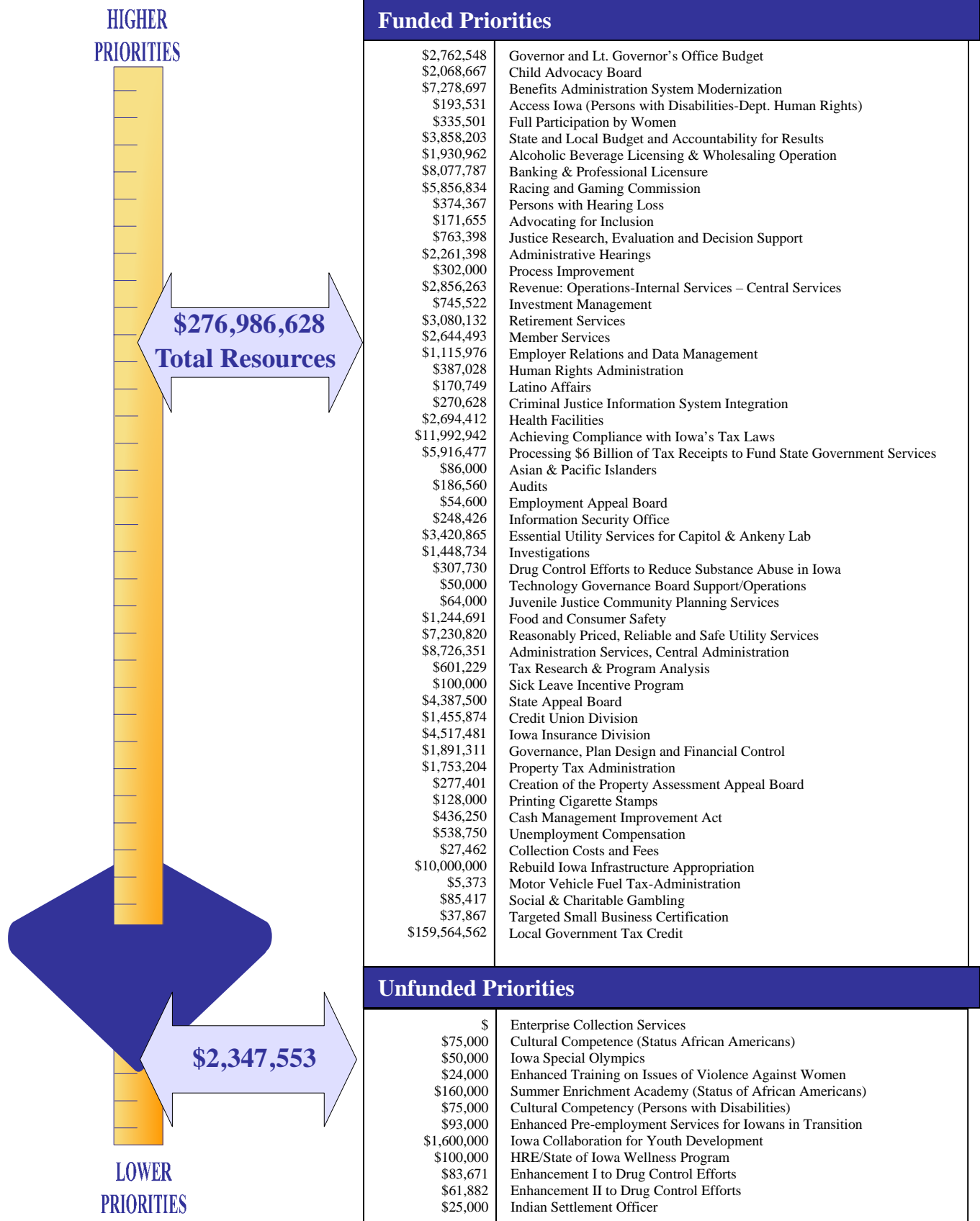
Restructuring the Department of Administrative Services into a series of enterprises funded through sales of goods and services to customers has been a success. The quality of service has improved, the level of customer satisfaction has risen and the cost to departments have in some cases reduced, in some held steady and in some increased moderately. Further, departments are empowered to reduce their consumption with itemized billings and to control rates through Customer Councils. One area where we have seen improvement is in space utilization with departments offering to give-up space to save money. Four steps needed to continue restructuring: 1) Directly fund maintenance of Ceremonial Space which departments are not empowered to cut to reduce their expenses; 2) Directly fund the Subject Matter Experts (SME's) working in I/3 System as a leadership utility; 3) Continue repayment of FY2005 cash-flow loan appropriated to DAS to capitalize the Enterprise funds with several months of working capital; 4) Improve computer security by implementing the new Enterprise Information Security Office.

Local Government Innovation

Citizens in numerous communities over the past 10 years have proposed a variety of local government reforms and thousands of cooperative agreements are in place implementing regional solutions. Innovation and creativity are pathways to future growth and state and local governments must be prepared to continuously improve along with businesses, workers and schools. The Local Government Innovations Fund and the Iowa Center for Governing Excellence, will provide funding and technical assistance to communities interested in innovation. Their objective will be to identify models of collaboration that might be replicable; overcome barriers to collaboration through technical assistance, outside mediation/facilitation; promote best practices; and encourage innovative/creative models of collaboration.

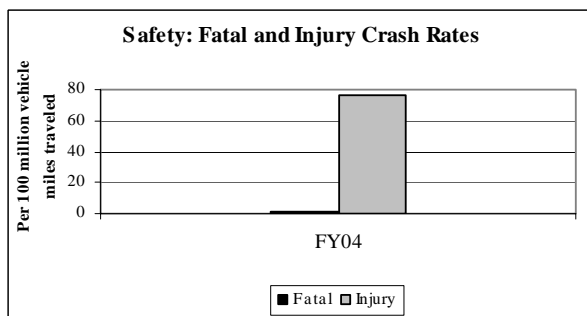


DRILLING PLATFORM ACCOUNTABLE GOVERNMENT

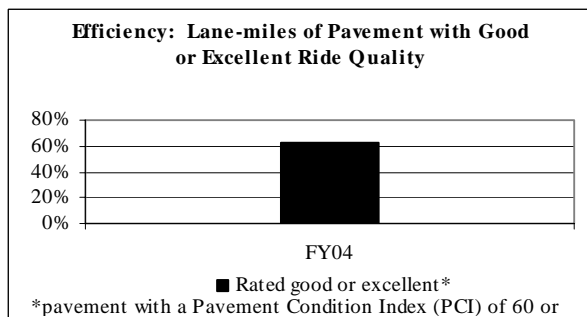


TRANSPORTATION & INFRASTRUCTURE

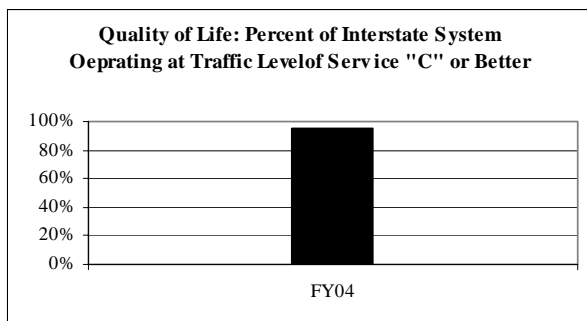
Governor Tom Vilsack and Lt. Governor Sally Pederson believe strongly that funding for infrastructure and capitals should help improve state infrastructure and continue to provide for maintenance for the State's buildings.



Source: Iowa Department of Transportation



Source: Iowa Department of Transportation



Source: Iowa Department of Transportation

Transportation

Transportation projects in the State are primarily funded by revenues from the Road Use Tax Fund. Except for some "off the top" expenses, these revenues are distributed to governmental entities based on a formula. Funding for state level projects and operations comes through the Primary Road Fund. Transportation projects are reviewed and approved by the Iowa Transportation Commission, made up of seven Commissioners appointed by the Governor and approved by the Senate. The transportation project approval process is done by means of an annual five-year Highway Program.

Department of Transportation Operations

For FY2007, with a few modifications, Governor Vilsack and Lt. Governor Pederson are recommending funding for the Department of Transportation at the levels requested by the agency. A summary highlighting the significant differences is presented below.

Recommended increases will fund costs associated with the replacement of equipment, additional fuel costs, and costs to purchase sand and salt for snow removal purposes. Additional funding is recommended to upgrade the information technology systems used by County Treasurers to issue drivers licenses and for enhancements to the vehicle registration and titling system. New funding is also recommended for technology improvements related to systems used to gather and distribute information on commercial vehicles.

The Department requested continued infrastructure funding for capital improvement projects at Iowa's commercial and general aviation airports and to assist in the development of recreational trails throughout Iowa. Governor Vilsack and Lt. Governor Pederson have recommended funding for these purposes again in FY2007.

State Infrastructure and Capital Projects

Infrastructure and capital projects are funded through dedicated revenues such as the tax on gambling and bonding of tobacco payments from the Master Settle-

ment Agreement.

In November 2005, the Tobacco Settlement Authority (TSA) restructured the existing debt related to the Series 2001 bonds. The restructuring resulted in a total of \$150.7 million in new funding. \$50.2 million was deposited into the Endowment for Iowa's Health Account and \$100.5 million deposited into the Endowment for Iowa's Health – Restricted Capitals Fund. Based upon the restructuring and in order to help strengthen water quality and economic development, Governor Vilsack and Lt. Governor Pederson recommend that \$50 million be used for water quality projects and \$50 million be used for economic development, specifically implementing the Battelle recommendations. This has been accomplished as follows:

	FY2007	FY2008	FY2009	Total
Water Quality Projects				
Rebuild Iowa Infrastructure Fund	\$10.00	\$10.00	\$10.00	\$30.00
Endowment for Iowa's Health Account	\$10.00	\$10.00		<u>\$20.00</u>
Total				<u><u>\$50.00</u></u>
Battelle				
Rebuild Iowa Infrastructure Fund	\$10.00	\$10.00	\$10.00	\$30.00
Endowment for Iowa's Health Account	\$10.00	\$10.00		<u>\$20.00</u>
Total				<u><u>\$50.00</u></u>

Infrastructure and capital projects are appropriated from four funds; Rebuild Iowa Infrastructure Fund, Vertical Infrastructure Fund, Tobacco Securitization Tax Exempt bond Proceeds Restricted Capital Fund, and the Endowment for Iowa's Health Restricted Capitals Fund.

For FY2007, Governor Vilsack and Lt. Governor Pederson recommend the following appropriations out of the Rebuild Iowa Infrastructure Fund:

- \$35.0 million to the Environment First Fund
- \$15.0 million to the Vertical Infrastructure Fund
- \$10.0 million to the Secure and Advance Vision for Education (SAVE) Fund for school infrastructure projects
- \$12.0 million for Community Attraction and Tourism grants
- \$10.0 million for water quality projects
- \$10.0 million for implementation of Battelle recommendations for economic development
- \$2.7 million for continuation of ICN Part III Leases
- \$3.9 million for pooled technology projects
- \$2.75 million to the Department of Transportation for recreational trails, commercial air and general air grants
- \$1.5 million to the Department of Natural Resources to help purchase through public/private partnerships land considered "natural Iowa gems"
- \$2.0 million to Community Colleges for infrastructure projects
- \$1.0 million to the Department of Cultural Affairs for historic site grants and battle flag restorations
- \$0.5 million to the Department of Public Safety for continuation of payments on the lease of the Iowa automated fingerprint identification center
- \$0.3 million to the Department of Corrections for continuation of payments on the electrical lease at Fort Madison
- \$0.3 million to Iowa Public Television for an uninterruptible power supply to their equipment
- \$0.1 million to the Camp Dodge Armed Forces Readiness Center
- \$10.0 million to the Board of Regents for Tuition Replacement
- \$5.4 million to the Prison Infrastructure Fund
- \$2.0 million of technology and equipment needs at the Department of Corrections, Iowa Law Enforcement

Academy, Board of Parole, Department of Public Safety, and Department of Public Defense

For FY2007, Governor Vilsack and Lt. Governor Pederson recommend the following appropriations out of the Vertical Infrastructure Fund:

- \$10.0 million for major maintenance of state buildings
- \$2.8 million for routine maintenance of state buildings
- \$1.8 million for capitol complex relocation and leasing expenses
- \$0.3 million for National Guard major maintenance
- \$0.1 million to Terrace Hill for maintenance

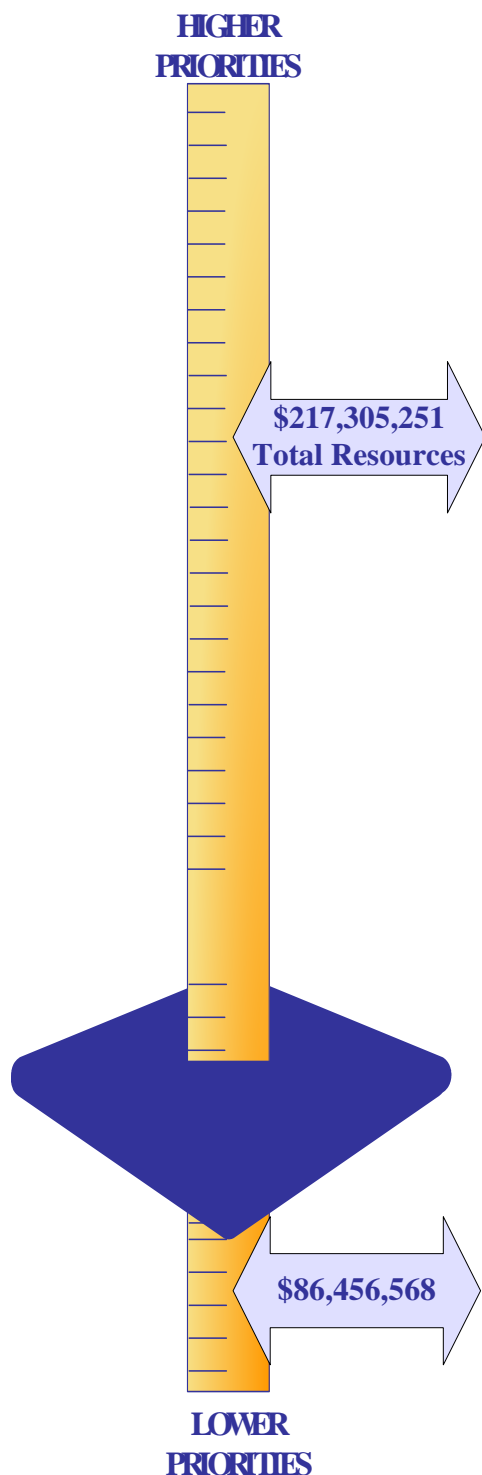
For FY2007, Governor Vilsack and Lt. Governor Pederson recommend the following appropriations out of the Tobacco Securitization Tax Exempt bond Proceeds Restricted Capital Fund:

- \$2.3 million to Iowa Public Television to complete the conversion to high definition broadcasting
- \$3.5 million for the continuation of the State capitol complex electrical system upgrade
- \$3.0 million to the Department of Corrections for equipment purchases at the new facility at Oakdale
- \$2.0 million for ICN major equipment replacement
- \$1.2 million for National Guard major maintenance
- \$2.6 million for equipment and software purchases for the implementation of Iowa's Criminal Justice Information Systems (CJIS)
- \$4.0 million for ACE grants for community college infrastructure through the Department of Economic Development
- \$3.0 million for fire service infrastructure through the Department of Public Safety

For FY2007, Governor Vilsack and Lt. Governor Pederson recommend the following appropriations out of the Endowment for Iowa's Health Restricted Capitals Fund:

- \$2.2 million for the completion of the Records Center remodeling project
- \$1.5 million for continuation of renovation at the Toledo Juvenile Home
- \$3.75 million for the Davenport CBC facility through the Department of Corrections
- \$1.4 million for the Ft. Dodge CBC facility through the Department of Corrections
- \$1.8 million for the Anamosa dietary renovation through the Department of Corrections
- \$1.4 million for the Iowa City Armed Forces Readiness Center
- \$1.6 million for the Waterloo Aviation Armory
- \$0.7 million for the Spencer Armory
- \$2.3 million for the West Capitol Terrace restoration
- \$1.4 million to Iowa Public Television for replacement of transmitters
- \$1.0 million for State Park infrastructure renovations
- \$1.5 million to repair parking lots on the Capitol Complex
- \$6.8 million to continue restoration of the State Capitol interior
- \$0.5 million for Wallace Building planning
- \$0.5 million for Ft. Madison state penitentiary planning
- \$4.0 million to the Department of the Blind for building renovation
- \$0.75 million for Camp Dodge waste water treatment upgrade
- \$2.4 million for Woodward Institution wastewater treatment plant replacement
- \$2.4 million to replace Iowa State Patrol Post 8 building
- \$6.2 million to the Iowa Veterans Home for capital projects
- \$1.0 million to the State Fair for capital projects
- \$10.0 million to the Board of Regents for capital projects
- \$1.0 million to the Department of Cultural Affairs for capital projects through Great Places

DRILLING PLATFORM - TRANSPORTATION



Funded Priorities	
\$35,000,000	Environment First Fund
\$15,000,000	Vertical Infrastructure Fund
\$10,000,000	Secure and Advance Vision for Education Fund
\$10,000,000	Statewide Major Maintenance
\$2,800,500	Statewide Routine Maintenance
\$2,200,000	Renovation of Records and Property Center
\$1,521,045	Iowa Juvenile Home Power House and Associated Equipment
\$1,400,000	Corrections - Fort Dodge Residential Facility
\$3,750,000	Corrections - Davenport Residential Center & District Office
\$1,840,000	Corrections - Anamosa Food Service Renovations
\$2,300,000	Iowa Public Television - Digital Television Conversion
\$10,000,000	Water Quality Projects
\$10,000,000	Implementation of Battelle Recommendations for Economic Development
\$1,425,000	Iowa Public Television - Replacement of Analog Transmitters
\$333,168	Corrections - Ft. Madison Electrical Lease
\$2,727,000	Iowa Communications Network Part III Leases
\$3,468,800	Capitol Complex Electrical Distribution System Upgrade
\$5,044,519	Corrections - One Time Equipment Costs
\$1,997,500	Iowa Communications Network Major Equipment Replacement
\$1,824,500	Capitol Complex Relocation and Leasing Expenses
\$1,500,000	Public Defense - Iowa National Guard Infrastructure Major Maintenance
\$1,444,288	Public Defense - Iowa City Armed Forces Readiness Center (Phase III)
\$1,635,000	Public Defense - Waterloo Aviation Armory Addition/Alteration (Phase I)
\$100,000	Public Defense - Camp Dodge Armed Forces Readiness Center
\$550,000	Public Safety - Iowa Automated Fingerprint Identification System
\$2,300,000	West Capitol Terrace Restoration/Removal of Parking Lot
\$3,884,940	Pooled Technology Projects
\$2,645,066	Human Rights - Infrastructure for Integrating Justice Data Systems
\$55,000	Terrace Hill Carpet Replacement
\$20,000	Terrace Hill Plaster Restoration
\$1,000,000	Natural Resources - State Park Infrastructure Renovations
\$689,000	Public Defense - Spencer Armory Addition/Alteration
\$1,545,000	Repairs to Parking Lots on the Capitol Complex
\$315,000	Iowa Public Television - Uninterruptible Power Supply
\$6,830,000	Capitol Interior and Exterior Restoration Continuation
\$500,000	Wallace Building Renovation or Replacement Planning
\$4,000,000	Dept. for the Blind - Building Renovation
\$750,000	Public Defense - Camp Dodge Water System Upgrade (Phase II)
\$2,443,000	Woodward Resource Center Wastewater Treatment Plant
\$2,400,000	Public Safety - Iowa State Patrol Post 8 Replacement
\$6,200,000	Veteran's Home - Capital Projects
\$3,000,000	Public Safety - Fire Service Regional Training Facilities
\$2,000,000	Education - Community College Infrastructure
\$10,000,000	Board of Regents Capitals
\$1,000,000	Dept. of Transportation - Recreational Trails
\$1,000,000	Dept. of Transportation - Commercial Air Service Airports
\$750,000	Dept. of Transportation - General Aviation Airports
\$220,000	Cultural Affairs - Battle Flags
\$800,000	Cultural Affairs - Historic Site Preservation Grants
\$1,000,000	Iowa State Fair
\$12,000,000	Economic Development - Community Attraction and Tourism
\$4,000,000	Economic Development - Accelerated Career Education Program
\$500,000	Ft. Madison Prison Planning
\$1,500,000	Natural Resources - Iowa's Special Areas - Public Private Partnerships
\$1,000,000	Cultural Affairs - Capital Projects Through Great Places
\$9,680,321	Board of Regents Tuition Replacement
\$5,416,604	Treasurer - Prison Infrastructure Fund
Unfunded Priorities	
\$507,000	Iowa Law Enforcement Academy - Dorm Updates/Student computer center
\$689,000	Public Defense - Ottumwa Armory Addition/Alteration
\$3,410,000	East Capitol Parking Lot 13 Restoration
\$1,150,000	Capitol Complex Property Acquisition Services
\$5,309,200	Capitol Complex Pedestrian/Utility Tunnel Repairs (Phase I)
\$750,000	Planning for the Renovation of Grimes State Office Building
\$15,000,000	Renovation of 1000 E. Grand for Asbestos Abatement
\$1,500,000	Natural Resources - Renewable Energy From Waste
\$1,500,000	Natural Resources - Statewide Digital Topographic Mapping
\$1,500,000	Pooled Technology Support
\$5,665,000	Replace Court Avenue Bridge
\$500,000	Public Defense - National Guard Future Construction Investment Funding
\$166,800	Department of Human Services Capitals
\$100,000	Site Implementation Planning Services - Capitol Complex
\$132,000	Depreciation Account
\$8,130,668	Iowa Juvenile School Home New Education & Infirmary Building
\$250,000	Parole Board Capitals
\$979,900	Veteran's Home - Major Maintenance Projects
\$2,500,000	Natural Resources - Regional Office Construction
\$35,657,000	Corrections Major Maintenance Projects
\$1,060,000	State Treasurer - County Fairs Improvements

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FINANCIAL DETAILS

- FINANCIAL SUMMARIES FOR MAJOR FUNDS
- GENERAL FUND APPROPRIATION BY FUNCTION
- MAJOR FUND APPROPRIATION REPORT
- ALL OTHER FUNDS APPROPRIATION BY FUNCTION

THE GENERAL FUND

The General Fund receives those revenues of the State not specifically required to be deposited in other funds. General Fund revenues are obtained from the payment of State taxes and non-tax sources. Major tax revenues credited to the General Fund include the personal income tax, corporate income tax, sales/use tax, and certain other taxes and revenues.

For accounting purposes, the State has classified General Fund revenues as either “appropriable” or “appropriated.” Appropriable revenues consist of all General Fund revenues, other than appropriated revenues and consist of the major tax revenues, certain other taxes, and revenues. Appropriated revenues consist of fees and charges collected generally by self-supporting State agencies, together with support payments and reimbursements (including Federal payments) that fund certain State agencies, which the State thus considers self-supporting. Because these revenues are routinely credited to the General Fund appropriation for the operation of the applicable self-supporting agency, rather than being appropriable for other General Fund expenditures, they are referred to as “appropriated.” Available General Fund revenues include both appropriable and appropriated revenues deposited in the General Fund except for Federal payments received in advance of disbursement for applicable Federally-funded program, rather than as reimbursements for previously expended State moneys.

All expenditures from the General Fund must be appropriated by the Legislature. The appropriations from the General Fund expire at the end of the State’s Fiscal Year (July 1 to June 30), unless the Legislature specifically provides for those funds to carry forward into the following Fiscal Year. The major sources of General Fund expenditures are for Education, Health and Human Services, Justice, Economic Development, Agriculture and Natural Resources, and Administration and Regulation.

Footnotes to Summary of General Fund Revenues and Expenditures table on next page:

[1] On June 16, 2005, Governor Vilsack signed HF 882 which requires that \$159.7 million be transferred from the ending FY2005 general fund balance to the Property Tax Credit Fund. It is recommended for FY2006, \$119.8 million of the anticipated ending balance be transferred to the Property Tax Credit Fund.

[2] The Code of Iowa, Section 8.57, provides that the excess of revenues and other financing sources over expenditures and other financing sources at the conclusion of the fiscal year is to be transferred to the Cash Reserve Fund. Starting in FY2006, one-half of the ending balance up to one percent of General Fund revenue is required to be transferred to the Senior Living Trust fund, until \$118 million has been transferred.

[3] FY2006 includes recommended General Fund supplemental appropriations of \$27.9 million and related appropriated revenues and recommended General Fund deappropriations of \$3.0 million.

State of Iowa

SUMMARY OF GENERAL FUND REVENUES AND EXPENDITURES

(In Millions)

	Actual FY 2005	Estimated FY 2006 [3]	Governor's Recommendation FY2007
Beginning General Fund Operating Balance	\$0	\$0	\$0
Revenues:			
Appropriable			
Personal Income Tax	2,794.6	2,820.9	2,923.7
Sales/Use Tax	1,806.7	1,879.8	1,938.0
Corporate Income Tax	281.1	311.4	344.2
Inheritance Tax	77.0	70.8	69.6
Insurance Premium Tax	131.2	128.3	126.4
Cigarette & Tobacco Tax	96.1	98.0	100.0
Other Taxes	51.3	50.6	58.8
Other Receipts	323.9	304.9	316.9
Transfers	59.9	61.7	65.3
Total Appropriable Receipts	5,621.8	5,726.4	5,942.9
Appropriated Receipts and Federal Aid			
Federal Support/Reimbursements	2,143.5	2,280.4	2,280.7
Refunds and Reimbursements	289.2	210.7	192.9
Local Government Reimbursements	150.1	165.9	180.4
Interagency Receipts	472.9	515.8	345.0
Fees	21.5	24.3	10.5
Other Sales and Services	4.0	2.6	2.5
Miscellaneous Receipts	115.0	84.0	27.8
Total Appropriated Receipts	3,196.2	3,283.7	3,039.8
Total Gross Revenues	8,818.0	9,010.1	8,982.7
Refunds of Taxes Collected	-696.9	-649.6	-581.2
Total Net Receipts	8,121.1	8,360.5	8,401.5
Expenditures:			
Administration and Regulation	268.1	229.0	328.5
Agriculture and Natural Resources	121.2	129.4	130.1
Economic Development	34.1	97.2	92.4
Education	3,038.2	3,135.8	3,328.7
Human Services	3,768.9	4,048.7	3,823.5
Justice	563.1	606.2	623.7
Transportation	1.8	9.0	6.8
Total Expenditures	7,795.4	8,255.3	8,333.7
Other Financing Sources	0.2	19.6	0.1
Ending General Fund Operating Balance	325.9	124.8	67.9
Authorized Transfer to the Property Tax Credit Fund [1]	-159.7	-119.8	0.0
Amount Statutorily Required To Be Transferred To			
Cash Reserve Fund [2]	-166.2	-5.0	-67.9
Ending General Fund Balance	\$0.0	\$0.0	\$0.0

REBUILD IOWA INFRASTRUCTURE FUND

The Rebuild Iowa Infrastructure Fund was established in FY1996 in the Iowa Code to provide funding for public infrastructure-related expenditures. Initial revenues into the Fund were supplied by a transfer from the GAAP Deficit Reduction Account and from the interest earnings of the Cash Reserve and Iowa Economic Emergency Funds. Starting in FY1997, tax revenues, fees and licenses from gambling were deposited into the fund. The Fund retains all interest and earnings on moneys in the Fund. Moneys in the Fund are expended at the direction of the Iowa Legislature.

State of Iowa

Estimated Condition of the Rebuild Iowa Infrastructure Fund

Financial Summary

	Actual FY2005	Estimated FY2006	Governor's Recommendation FY2007
Resources			
Beginning Balance	14,801,235	30,070,952	12,748,351
Revenues:			
Gaming Revenues	70,398,495	73,854,432	95,774,432
Riverboat Assessment	15,824,261	16,209,000	8,000,000
Table Game License Fee (Racetracks)	13,000,000	-	-
Riverboat License Fees	8,000,000	8,000,000	-
Endowment for Iowa's Health Account Transfer	10,966,960	-	-
Interest	4,579,047	7,100,000	7,100,000
Marine Fuel Tax	2,119,540	2,300,000	2,300,000
Total Revenues	124,888,303	107,463,432	113,174,432
Reversions from Environment First Fund			
Total Resources Available	139,689,538	137,534,384	125,922,783
Expenditures			
Appropriations			
Department of Administrative Services			
Routine Maintenance	2,000,000	2,000,000	-
Employee Relocation Expenses/Leases	2,271,617	1,824,000	-
Pool Tech/Data Warehouse Projects	1,861,496	3,802,000	3,884,940
Major Maintenance	4,300,000	291,891	-
Records and Property Building Remodel	5,000,000	4,700,000	-
Monument Lighting	35,000	-	-
Wallace Building Renovation	-	625,000	-
Laboratory Facility - Routine Main/Operations	355,500	-	-
DHS-Toledo Juvenile Home	-	1,161,045	-
Terrace Hill Maintenance	-	571,000	-
DHS-CCUSO Renovation	-	1,400,000	-
Capitol Complex Electrical Distribution	-	1,843,878	-
Commission for the Blind			
Orientation Center	67,000	-	-
Department of Corrections			
Electrical System Lease Purchase	333,168	333,168	333,168
Davenport CBC Facility Construction	3,000,000	3,750,000	-
Fort Dodge CBC Residential Facility	-	50,000	-
Anamosa Dietary Renovation	-	940,000	-
Jesse Parker Building Rent	-	105,300	-
DOC Facility Leases	-	122,000	-
DOC ICON	-	-	500,000
Oakdale Equipment	-	-	332,000

Department of Cultural Affairs			
Historical Preservation Grant Program	500,000	-	800,000
Battle Flag Preservation	100,000	220,000	220,000
Department of Economic Development			
Community Attraction & Tourism	12,000,000	5,000,000	12,000,000
Federal Enterprise Zone Matching Funds	-	500,000	-
Ferryboat Study	-	60,000	-
Lewis & Clark Bicentennial	50,000	-	-
NonProfit Family Recreation Grant	200,000	-	-
National Special Olympics Games	500,000	-	-
Accelerated Career Education (ACE) Program	5,500,000	-	-
Iowa Finance Authority			
Transitional Housing	-	1,400,000	-
Water Quality Grants	-	-	5,000,000
Department of Education			
Enrich Iowa Libraries	600,000	900,000	-
Iowa Learning Technologies	-	500,000	-
Community Colleges Infrastructure	-	2,000,000	2,000,000
ICN Part III Maintenance/Lease Costs	2,727,000	2,727,000	2,727,000
Parker Building Remodel	303,632	-	-
IPTV-Replace Transmitters	-	2,000,000	-
IPTV-High Definition TV Conversion	8,000,000	8,000,000	-
IPTV-Uninterruptable Power Supply	-	-	315,000
Department of Human Services			
Residential Treatment Facility	-	250,000	-
Department of Management			
Environment First Appropriation	35,000,000	35,000,000	35,000,000
Vertical Infrastructure Fund Appropriation	-	15,000,000	15,000,000
Department of Natural Resources	-	-	-
Waubonsie State Park	-	1,500,000	-
Fort Atkinson Restoration	-	500,000	-
Mid-America Port Commission	-	80,000	-
Lake Cornelia	-	429,000	-
Destination Park	500,000	3,000,000	-
Water Quality Projects	-	-	5,000,000
GEMS	-	-	1,500,000
Iowa Law Enforcement Academy			
Capitol Projects	-	-	75,000
State Fair			
Capital Improvements	250,000	750,000	-
Board of Parole			
Capitol Projects	-	-	75,000
Department of Public Defense			
Iowa City Readiness Center	2,150,000	-	-
Facility Maintenance	1,269,636	-	-
Boone Armory Addition	1,096,000	-	-
Fort Dodge Readiness Center	750,000	-	-
Camp Dodge Armed Forces Readiness Center	-	-	100,000
Technology Projects	-	-	75,000

Department of Public Safety			
Capitol Building Security	800,000	-	-
Capitol Building Security Upgrades	300,000	-	-
AFIS Lease Purchase	550,000	550,000	550,000
Iowa System Grant Match	500,000	-	-
Fire Equipment Revolving Loan Fund	500,000	500,000	-
Fire Training Facilities	150,000	800,000	-
Technology Projects	-	-	943,000
Department of Revenue			
Secure An Advance Vision for Education (SAVE)	10,000,000	10,000,000	10,000,000
Board of Regents			
Tuition Replacement	858,764	-	9,680,321
Major/Deferred Maintenance	-	6,250,000	-
Special School Maintenance	500,000	500,000	-
UNI - Playground Safety Program	500,000	500,000	-
Battelle Program	-	-	10,000,000
Department of Transportation			
Misc. Airport/Aviation Programs	500,000	564,792	-
Commercial Aviation Infrastructure	1,100,000	-	1,000,000
Rail Assistance	-	35,959	-
Recreational Trails	-	1,000,000	1,000,000
General Aviation Airport Grants	581,400	750,000	750,000
Treasurer of State			
County Fairs Infrastructure	1,060,000	-	-
Prison Infrastructure	-	-	5,416,604
Veterans Affairs			
Veterans Trust Fund	1,000,000	-	-
Total Appropriations	<u>109,620,213</u>	<u>124,786,033</u>	<u>124,277,033</u>
Reversions	1,627	-	-
Net Available Balance Forward	<u>30,070,952</u>	<u>12,748,351</u>	<u>1,645,750</u>

ENVIRONMENT FIRST FUND

Environment First Fund consists of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. Moneys are used as appropriated by the general assembly for the protection, conservation, enhancement, or improvement of natural resources or the environment.

State of Iowa

Environment First Fund

Financial Summary

	Actual FY 2005	Estimate FY 2006	Governor's Recommendation FY 2007
Resources:			
Beginning Balance	10,779	10,513	10,513
Revenues:			
Rebuild Iowa Infrastructure Fund Appropriation	35,000,000	35,000,000	35,000,000
Miscellaneous Receipts			
Total Available Resources	35,010,779	35,010,513	35,010,513
Expenditures			
Appropriations			
Department of Agriculture and Land Stewardship			
Loess Hills Dev/Cons Auth	600,000	600,000	600,000
Southern Iowa Conservation Authority	300,000	300,000	300,000
Agricultural Drainage Well	500,000	500,000	500,000
Watershed Protection Fund	2,700,000	2,700,000	2,700,000
Farm Demonstration Program	850,000	850,000	850,000
Soil Conservation Cost Share	5,500,000	5,500,000	5,500,000
Wetland Incentive Program	1,500,000	1,500,000	2,000,000
Conservation Reserve Program	2,000,000	2,000,000	1,500,000
Department of Economic Development			
Brownfield Redevelopment Program	500,000	500,000	500,000
Department of Natural Resources			
GIS Information for Water	195,000	195,000	195,000
Water Quality Monitoring	2,955,000	2,955,000	2,955,000
Volunteer Water Quality Initiative	100,000	100,000	100,000
Air Quality Livestock Monitoring	500,000	-	-
Water Quality Protection	500,000	500,000	500,000
Lake Dredging	1,000,000	1,500,000	500,000
Marine Fuel Tax Projects	2,300,000	2,300,000	2,500,000
REAP	11,000,000	11,000,000	11,800,000
Park Operations Maintenance	2,000,000	2,000,000	2,000,000
Total Appropriations	35,000,000	35,000,000	35,000,000
Reversions			
Net Appropriations	35,000,000	35,000,000	35,000,000
Ending Balance	10,779	10,513	10,513

VERTICAL INFRASTRUCTURE FUND

The Vertical Infrastructure Fund (VIF) was created by legislation during the 2004 Session of the 80th General Assembly. Moneys in the Fund are used as appropriated by the General Assembly for public vertical infrastructure projects. The VIF Code chapter defines “Vertical infrastructure” as including only land acquisition and construction, major renovation, and major repair of buildings, all appurtenant structures, utilities, and site development. “Vertical infrastructure” does not include routine, recurring maintenance, debt service, or operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement. In FY2006, \$15 million was appropriated from the Rebuild Iowa Infrastructure Fund to the Vertical Infrastructure Fund. Another \$15 million is to be appropriated again in FY2007.

State of Iowa

Vertical Infrastructure Fund

Financial Summary

	Estimated FY2006	Governor's Recommendation FY2007
Resources:		
Revenues:		
Rebuild Iowa Infrastructure Fund Appropriation	15,000,000	15,000,000
Total Available Resources	15,000,000	15,000,000
Expenditures		
State Appropriations		
Department of Administrative Services		
Major Maintenance	5,623,200	10,000,000
Routine Mainenance	-	2,800,500
Capitol Complex Relocation and Leasing Expenses	-	1,824,500
Terrace Hill Carpet Restoration	-	55,000
Terrace Hill Plaster Restoration	-	20,000
Department of Cultural Affairs		-
Historical Site Preservation Grant	500,000	-
Department of Economic Development		
ACE	4,000,000	-
Deparment of Public Defense		
Fort Dodge Readiness Center	608,000	-
Camp Dodge Water Treatment	1,939,800	-
Facility Maintenance	1,269,000	300,000
Treasurer of State		
County Fair Improvements	1,060,000	-
Total State Appropriations	15,000,000	15,000,000
Reversions of Appropriations		
Net Appropriations	15,000,000	15,000,000
Net Available Balance Forward	-	-

TOBACCO SECURITIZATION TAX EXEMPT BOND PROCEEDS RESTRICTED CAPITAL FUND

The Tobacco Securitization Tax Exempt Bond Proceeds Restricted Capital Fund was created to receive the tax-exempt bond proceeds which resulted from Iowa's participation in the Tobacco Securitization process. In FY2002, the Fund received \$540 million in tax-exempt bond proceeds. The bond proceeds and the interest earned may be used for qualified capital projects in accordance with Internal Revenue Code regulations. Qualified capital projects include expenditures for depreciable assets such as facilities construction and renovation and purchases of equipment. Expenditures which do not qualify include operational costs and expenses associated with routine maintenance. The Internal Revenue Code requires all tax-exempt bond proceeds to be expended in accordance with a defined spending schedule.

State of Iowa

Estimated Condition of the Tobacco Securitization Tax Exempt bond Proceeds Restricted Capital Fund

Financial Summary

	Actual FY2005	Estimate FY2006	Governor's Recommendation FY2007
Resources			
Beginning Balance	114,923,552	55,768,475	18,411,385
Adjustment to Beginning Balance	17,169		
Revenues:			
Bond Proceeds			
Interest	7,577,704	3,600,000	500,000
Refunds and Reimbursements	532,277		
Total Revenues	8,109,981	3,600,000	500,000
Total Resources Available	123,050,702	59,368,475	18,911,385
Expenditures			
Administrative Oversight	491,594	200,000	-
Appropriations			
Department of Administrative Services			
Major Maintenance	-	3,000,000	-
Land Acquisition/Improvement	-	-	-
Capitol Interior Restoration	3,500,000	4,500,000	-
Enterprise Resource Planning	6,049,284	-	-
DHS-CCUSO Renovation	-	650,000	-
Capitol Complex Electrical Distribution Upgrade	-	-	3,468,800
Department of Corrections			
Oakdale Expansion	11,700,000	11,700,000	-
Oakdale Equipment	-	-	3,044,519
Anamosa Kitchen	-	600,000	-
Department of Economic Development			
Accelerated Career Education Infrastructure	-	1,500,000	4,000,000
Advanced Research & Commercialization	-	-	(3,268,696)
Department of Education			
IPTV High Definition Conversion	-	-	2,300,000
Iowa Communications Network			
Equipment Replacement	-	1,704,719	1,997,500
Department of Human Right			
CJIS Integration	-	-	2,645,066
Department of Human Services			
Family Resource Center	-	250,000	-
Department of Natural Resources			
Destination Park	-	(3,000,000)	-
Lewis and Clark Rural Water System	2,450,000	2,500,000	-

State of Iowa

Estimated Condition of the Tobacco Securitization Tax Exempt bond Proceeds Restricted Capital Fund

Financial Summary

	Actual FY2005	Estimate FY2006	Governor's Recommendation FY2007
Department of Public Defense			
Armory Maintenance	-	-	1,200,000
Department of Public Safety			
Dubuque Fire Training Facility	-	100,000	-
Fire Service Infrastructure	-	-	3,000,000
Board of Regents			
Tuition Replacement	10,437,174	10,329,981	-
SUI Journalism Building	3,575,000	-	-
ISU Undergraduate Classrooms	1,949,100	-	-
UNI Teaching Center Bldg	9,880,000	-	-
Department of Transportation			
Commercial Air Service	-	1,500,000	-
Treasurer of State			
ICN Debt Service	13,039,778	-	-
Prison Infrastructure Debt Service	5,413,324	5,422,390	-
Total Appropriations/Expenditures	68,485,254	40,957,090	18,387,189
Reversions	(1,203,027)	-	-
Total Appropriations/Expenditures	67,282,227	40,957,090	18,387,189
Net Available Balance Forward	55,768,475	18,411,385	524,196

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ENDOWMENT FOR IOWA'S HEALTH FUND

The Endowment for Iowa's Health was created by legislation during the 2000 Session of General Assembly. The fund receives net proceeds made by tobacco companies in settlement of lawsuits per Iowa Code section 12E.1b (2). The statute further provides that \$55 million is transferred to the Healthy Iowans Tobacco Trust in FY2001. Each subsequent year the amount of the transfer is increased by 1.5 percent.

State of Iowa

Endowment for Iowa's Health Account

Financial Summary

	Actual <u>FY2005</u>	Estimated <u>FY2006</u>	Governor's Recommendation <u>FY2007</u>
Resources:			
Beginning Balance	27,187,148	38,301,245	108,898,823
Revenues:			
Bond Proceeds		50,176,574	
General Fund Appropriation	29,785,000	29,562,000	17,773,000
Wagering Tax	70,000,000	70,000,000	70,000,000
Tobacco Payments	14,882,963	15,396,000	-
Interest	1,026,482	1,000,000	1,500,000
Reduction in General Fund Appropriation	(29,785,000)	(29,562,000)	(17,773,000)
Transfer to Healthy Iowans Tobacco Trust	(6,316,077)	(7,600,000)	
Transfer to Rebuild Iowa Infrastructure Fund	(10,966,960)		
Total Available Resources	<u>95,813,556</u>	<u>167,273,819</u>	<u>180,398,823</u>
Expenditures			
State Appropriations			
Treasurer of State			
Healthy Iowans Tobacco Trust Fund	57,512,311	58,374,996	59,250,620
Water Protection-Water Quality			10,000,000
Board of Regents			
Battelle Implementation			10,000,000
Total State Appropriations	<u>57,512,311</u>	<u>58,374,996</u>	<u>79,250,620</u>
Reversions of Appropriations			
Net Appropriations	<u>57,512,311</u>	<u>58,374,996</u>	<u>79,250,620</u>
Net Available Balance Forward	<u>38,301,245</u>	<u>108,898,823</u>	<u>101,148,203</u>

HEALTHY IOWANS TOBACCO TRUST FUND

The Healthy Iowans Tobacco Fund is created in Iowa Code 12.65 and receives a portion of the receipts from tobacco companies in settlement of lawsuits per Iowa Code 12E12.1b (2). Funds are subject to appropriation by the General Assembly and have been targeted to tobacco and substance abuse prevention and treatment as well as medical services. Governor Vilsack is proposing an 80 cent increase in the tobacco tax with the proceeds deposited in this fund.

State of Iowa

Estimated Condition of the Healthy Iowans Tobacco Trust Fund

Financial Summary

	Actual FY2005	Estimate FY2006	Governor's Recommendation FY2006
Resources:			
Beginning Balance	107,654	681,002	545,027
Revenues:			
Appropriation from Endowment for Iowa's Health Account	57,512,311	58,374,996	59,250,621
Additional Transfer from the Endowment for Iowa's Health Account	6,316,077	7,600,000	
Transfer of Increase in Cigarette and Tobacco Tax from General Fund		31,500,000	129,900,000
Interest	153,781	120,000	120,000
Refunds and Reimbursement	74		
Total Available Resources	64,089,897	98,275,998	189,815,648
Expenditures			
Appropriations			
Department of the Blind			
Newsline for the Blind	130,000	130,000	-
Department of Commerce-Insurance Division			
Small Business/School District Reinsurance	-	-	30,000,000
Department of Corrections			
CBC District I	-	100,000	100,000
CBC District II	127,217	396,217	396,217
CBC District III	35,359	200,359	200,359
CBC District IV	191,731	291,731	291,731
CBC District V	255,693	355,693	355,693
CBC District VI	-	100,000	100,000
CBC District VII	-	100,000	100,000
CBC District VIII	-	100,000	100,000
Fort Madison Special Needs Unit	1,187,285	1,187,285	1,497,285
Newton Value Based Program	370,000	310,000	-
Mitchellville Value-Based Program	-	60,000	-
Department of Education			
Iowa Empowerment Fund	2,153,250	2,153,250	2,153,250
Department of Human Services			
Breast Cancer Treatment	250,000		
Medical Assistance Supplement	14,346,750	35,013,803	55,013,803
Point of Service Provider Increase	146,750	146,750	146,750
CHIP Expansion to 200% FPL	200,000	200,000	200,000
Physician Et Al Provider Increase	8,095,718	-	-
Dental Provider Increase	3,814,973	-	-
RTSS Provider Increase	3,243,026	-	-
Adoption, IL, Sc Hs Prov Increase	468,967	-	-

State of Iowa

Estimated Condition of the Healthy Iowans Tobacco Trust Fund

Financial Summary

	Actual FY2005	Estimate FY2006	Governor's Recommendation FY2006
Hospital Provider Increase	3,035,278	-	-
Home Health Care Prov Inc	2,108,279	-	-
Critical Access Hospitals	250,000	-	-
Home Hlth & Hab. Day Care Exp	1,975,496	-	-
Respite Care Expansion	1,137,309	-	-
Other Service Providers	545,630	-	-
General Administration	274,000	274,000	274,000
Child and Family Services	-	4,257,623	4,257,623
Senior Living Trust			73,400,000
Department of Public Health			
Smoking Cessation Products	75,000	75,000	-
Substance Abuse Prevention/Mentor	-	200,000	-
Substance Abuse	11,800,000	11,800,000	-
Healthy Iowans 2010	2,346,960	2,509,960	-
Tobacco Use/Prevention Control	5,011,565	5,011,565	-
Defibrillator Grant Program	250,000	250,000	-
Birth Defects Institute	26,000	26,000	-
Substance Abuse Prevention-Boys and Girls Club	-	200,000	-
Substance Abuse Prevention-Children	-	400,000	-
Capitol Complex Defibrillator	-	100,000	-
PKU Assistance	-	60,000	-
AIDS Drug Assistance Program	-	275,000	-
Addiction Free Iowa	-	-	17,686,565
Health Promotion	-	-	361,000
Improving Access and Delivery	-	-	1,157,482
Healthy Environment	-	-	365,158
Health Protection	-	-	1,337,320
Department of Management			
State Appeal Board	2,096	6,735	-
Recommended Supplementals			
Department of Human Services			
Medical Assistance Supplement	-	31,500,000	-
Total Appropriations	63,854,332	97,790,971	189,494,236
Reversions	445,437	60,000	
Ending Balance	681,002	545,027	321,412

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ENDOWMENT FOR IOWA'S HEALTH RESTRICTED CAPITALS FUND

The Endowment for Iowa's Health Restricted Capitals Fund was created in FY2006 to account for the tax exempt portion of the tobacco settlement refunding proceeds. The bond proceeds and the interest earned may be used for qualified capital projects in accordance with Internal Revenue Code regulations. Qualified capital projects include expenditures for depreciable assets such as facilities construction and renovation and purchases of equipment. Expenditures which do not qualify include operational costs and expenses associated with routine maintenance. The Internal Revenue Code requires all tax-exempt bond proceeds to be expended in accordance with a defined spending schedule.

State of Iowa

Endowment for Iowa's Health Restricted Capitals Fund

Financial Summary

	Estimated FY2006	Governor's Recommendation FY2007
Resources:		
Beginning Balance		102,493,926
Revenues:		
Tobacco Refunding	100,493,926	
Interest	2,000,000	2,000,000
Total Available Resources	102,493,926	104,493,926
Expenditures		
State Appropriations		
Department of Administrative Services		
Records Center Remodeling		2,200,000
DHS-Toledo Juvenile Home		1,521,045
West Capitol Terrace Restoration		2,300,000
Repairs to Parking Lots at Capitol Complex		1,545,000
Capitol Interior Restoration		6,830,000
Wallace Building Planning		500,000
ISP (Ft. Madison) Planning		500,000
Department of the Blind		
Building Renovation		4,000,000
State Fair Board		
Capitals		1,000,000
Department of Corrections		
Davenport CBC Facility		3,750,000
Ft. Dodge CBC Residential		1,400,000
Anamosa Dietary Renovation		1,840,000
Department of Cultural Affairs		
Great Places		1,000,000
Iowa Public Television		
Replacement of Transmitters		1,425,000
Department of Natural Resources		
Infrastructure Renovations		1,000,000
Department of Human Services		
Woodward Resource Center Wastewater Treatment		2,443,000
Department of Public Defense		
Iowa City Armed Forces Readiness Center		1,444,288
Waterloo Aviation Armory		1,635,000
Spencer Armory		689,000
Camp Dodge Waste Water Treatment Upgrade		750,000
Department of Public Safety		
Post 8 Replacement		2,400,000
Board of Regents		
Capitals		10,000,000
Iowa Veterans Home		
Capitals		6,200,000
Total State Appropriations	-	56,372,333
Net Available Balance Forward	102,493,926	48,121,593

SENIOR LIVING TRUST FUND

The Senior Living Trust Fund is created by Iowa Code section 249H.4. It initially received federal Medicaid funds and is subject to appropriation by the General Assembly. The purpose of the fund is to provide seniors and people with disabilities with a full array of services including alternatives to nursing facilities. The fund provided for converting long term care facilities to alternative uses, and continues to provide funding to reimburse alternative home and community services. It also continues funding of nursing facility reimbursement methodology changes implemented in 2001 and supplements Medical Assistance appropriation needs.

State of Iowa

Estimated Condition of the Senior Living Trust Fund

Financial Summary

	Actual <u>FY2005</u>	Estimate <u>FY2006</u>	Governor's Recommendation <u>FY2007</u>
Resources:			
Beginning Balance	283,060,757	147,486,373	40,951,279
Revenues:			
Interest	6,111,150	3,204,006	1,685,337
Intergovernmental Transfer	5,453,818	-	-
Transfer from Medical Assistance	6,881,932	-	-
Transfer from Healthy Iowans Tobacco Trust	-	-	73,400,000
Total Available Resources	<u>301,507,657</u>	<u>150,690,379</u>	<u>116,036,616</u>
Expenditures			
Appropriations			
Iowa Finance Authority			
Rent Subsidy Program	-	700,000	700,000
Department of Elder Affairs			
Service Delivery and Administration	8,222,118	8,296,730	8,357,253
Department of Inspections and Appeals			
Assisted Living Inspections	800,000	758,474	825,724
Department of Human Services			
Nursing Conversions/Long Term Care Grants	20,000,000	-	-
Nursing Facility Case Mix Methodology	29,950,000	29,950,000	29,950,000
Medical Assistance	101,600,000	69,000,490	75,000,000
HCBS Elderly Waiver	1,733,406	1,033,406	821,140
Total Appropriations	<u>162,305,524</u>	<u>109,739,100</u>	<u>115,654,117</u>
Reversions of Appropriations	8,284,240		
Ending Balance	<u>147,486,373</u>	<u>40,951,279</u>	<u>382,499</u>

PROPERTY TAX CREDIT FUND

The Property Tax Credit Fund was created during the 2005 Legislative session to receive funding from the FY2005 ending balance of the general fund to pay for property tax credits in subsequent fiscal year. It is recommended that the fund continue, however, a smaller amount is transferred from the FY2006 ending balance and a FY2007 general fund appropriation is recommended to be transferred to the fund to pay for the credits in FY2007.

State of Iowa

Property Tax Credit Fund

Financial Summary

	Estimated <u>FY2006</u>	Governor's Recommendation <u>FY2007</u>
Resources:		
Beginning Balance	-	-
Revenues:		
Transfer from Ending Balance of General Fund	159,663,964	119,800,000
General Fund Appropriation		39,863,964
Total Available Resources	<u>159,663,964</u>	<u>159,663,964</u>
Expenditures		
State Appropriations		
Department of Revenue		
Homestead Property Tax Credit	102,945,379	99,662,704
Agricultural Land and Family Farm Tax Credits	34,610,183	34,610,183
Military Service Tax Credit	2,568,402	2,568,402
Elderly and Disabled Tax Credit and Reimbursement	19,540,000	22,822,675
Total State Appropriations	<u>159,663,964</u>	<u>159,663,964</u>
Reversions of Appropriations		
Net Appropriations	<u>159,663,964</u>	<u>159,663,964</u>
Net Available Balance Forward	<u>-</u>	<u>-</u>

STATE FISH AND GAME PROTECTION FUND

The State Fish and Game Protection Fund consists of all moneys accruing from hunting and fishing license fees and all other sources of revenue arising under the Fish and Wildlife Division of the Department of Natural Resources. The fund retains the interest or earnings or time deposits of moneys. By State Constitution, all funds are expended solely in carrying on the activities embraced in the Fish and Wildlife Division of the Department of Natural Resources. The Department of Natural resources has spending discretion within the guidelines of the grants and appropriation language created by 456A.17.

State of Iowa

State Fish and Game Protection Fund

Financial Summary

	Actual <u>FY2005</u>	Estimated <u>FY2006</u>	Governor's Recommendation <u>FY2007</u>
Resources:			
Beginning Balance	3,138,773	4,720,138	4,000,000
Revenues:			
Receipts	40,209,663	40,130,000	40,130,000
Reversion	232,467		
Total Available Resources	<u>43,580,903</u>	<u>44,850,138</u>	<u>44,130,000</u>
Expenditures			
Department of Natural Resources-Operations	31,220,766	32,477,525	34,322,525
Department of Natural Resources-Capitals	7,640,000	8,372,613	7,000,000
Total State Appropriations	<u>38,860,766</u>	<u>40,850,138</u>	<u>41,322,525</u>
Reversions of Appropriations			
Net Appropriations	<u>38,860,766</u>	<u>40,850,138</u>	<u>41,322,525</u>
Net Available Balance Forward	<u>4,720,137</u>	<u>4,000,000</u>	<u>2,807,475</u>

ROAD USE TAX FUND

Iowa's Road Use Tax Fund (RUTF) was created through legislation in 1949. The RUTF is primarily funded with revenues from the following sources: motor vehicle fuel taxes (gasoline, ethanol, and diesel fuels), fees collected on vehicle registrations, titles and drivers licenses, and use taxes on motor vehicle purchases. Except for administrative expenses, all motor fuel taxes and fees associated with vehicle registration, titles, and drivers licenses, are constitutionally mandated to be spent exclusively for the construction, maintenance and supervision of Iowa's public highways. Revenues from the use tax on purchases of motor vehicles is exempt from this constitutional mandate.

All revenues deposited into the RUTF are distributed using a formula to the Primary, Secondary, Farm-to-Market and Municipal Road Funds, which are used by state and local jurisdictions for the construction, maintenance, and administration of roads. Before revenues are distributed by formula, various appropriations and allocations are made from the Fund. These "off-the-top" expenses fund such things as Department of Transportation (DOT) operations, programs, equipment purchases and facility improvements. Appropriation expenses are funded through the legislative appropriations process. The Iowa Code specifies the statutory allocation formulas: to the Primary Road Fund (47.5 percent), to the Secondary Road Fund (24.5 percent), to the Farm to Market Road Fund (8 percent), and to the Street Construction Fund of the Cities (20 percent).

[Note: the table below reflects a correction made after the hard copy version of the Budget Report was printed.]

State of Iowa

Road Use Tax Fund

Source and Distribution of Funds

	Actual FY 2005	Estimated FY 2006	Governor's Recommendation FY 2007
<u>Resources</u>			
Beginning Balance	65,576,175	68,519,264	66,261,643
Adjustment to Balance	1,017		
Revenues			
Use Tax	252,598,899	217,549,455	215,043,503
Receipts from Other Entities	429,403,772	439,129,337	443,674,060
Interest, Loans and Dividends	6,760,662	5,666,608	5,836,606
Fees, Licenses and Permits	431,457,714	415,356,502	417,977,400
Sales, Rents and Service	38,804		
Miscellaneous	2,989,535	14,652,559	14,758,909
<u>Total Available Resources</u>	<u>1,188,826,578</u>	<u>1,160,873,725</u>	<u>1,163,552,121</u>
<u>Expenditures</u>			
Fund Expenses			
Personal Services	4,953,753		
Outside Services	2,476,877		
Reimbursement of Other Dept.	803,855		
Intra-State Transfers			
Primary Road Fund - 47.5%	449,578,990	450,952,364	454,081,072
Farm to Market Road Fund - 8%	75,718,567	75,949,872	76,476,812
Primary Road Fund	11,500,000	11,500,000	11,500,000
Farm to Market Road Fund	1,500,000	1,500,000	1,500,000
Secondary Road Fund	10,138,790	10,353,723	10,473,770
State RISE	22,118,639	23,008,272	23,275,043
City and County RISE	12,165,251	12,654,550	12,801,274
Park and Institutional Roads	6,998,640	7,030,233	7,064,491
Secondary and Urban	500,000	500,000	500,000
Living Roadway Trust Fund	250,000	250,000	250,000
Railroad Crossing Safety	700,000	700,000	700,000
Railroad Crossing Surface	900,000	900,000	900,000
County Bridge Construction	2,000,000	2,000,000	2,000,000
City Bridge Construction	500,000	500,000	500,000
License Plates	3,550,000	3,650,000	3,650,000
Traffic Safety Improvement Projects	5,383,569	5,407,872	5,434,224
Public Transit Assistance	10,183,097	10,780,125	10,445,776
Motorcycle Education Fund	313,370	310,334	37,056
Licenses, Permits and Refunds	211,964	199,944	199,944
State Aid and Credits			
Secondary Road Fund - 24.5%	231,888,111	232,596,482	234,210,237
City Street Fund - 20%	189,296,417	189,874,679	191,192,030
<u>Fund Expenditures</u>	<u>1,043,629,890</u>	<u>1,040,618,450</u>	<u>1,047,191,729</u>

[Note: the table below reflects a correction made after the hard copy version of the Budget Report was printed.]

State of Iowa

Road Use Tax Fund

Source and Distribution of Funds

	Actual FY 2005	Estimated FY 2006	Governor's Recommendation FY 2007
Appropriations			
Dept. of Administrative Services			
Road Use Tax Fund Approp.	84,951		
Dept. of Management			
Road Use Tax Fund Salary Adjustment	1,542,010	386,895	3,000,000
Dept. of Management Approp.	56,000	56,000	56,000
Treasurer of State			
Funds for I3 Expenses - RUTF			93,148
Dept. of Transportation			
RUTF - Operations	5,464,582	5,548,160	5,602,060
RUTF - Administrative Services	581,794	560,122	548,222
RUTF - Planning and Program	472,637	470,476	470,476
RUTF - Motor Vehicle	31,684,599	32,040,203	32,155,203
RUTF IDOP Reimbursement	37,500		
RUTF - Unemployment Compensation	17,000	17,000	17,000
RUTF - Workers Compensation	95,000	114,000	125,480
Drivers' Licenses	2,820,000	2,820,000	2,820,000
Mississippi River Parkway Comm.	40,000	40,000	40,000
Indirect Cost Recoveries	102,000	102,000	102,000
Auditor Reimbursement	54,314	55,160	56,420
County Treasurers Support	1,096,000	1,268,000	2,064,000
RUTF - Dept. of Admin. Serv. Reimb.		140,616	140,000
I-35 Corridor Coalition	50,000	50,000	
Road/Weather Conditions Information	100,000	100,000	100,000
DOT - IRP/IFTA			1,000,000
DOT - Data Warehouse - Vehicle			500,000
Personal Delivery of Services	225,000	225,000	225,000
County Treasurers Equipment Stand.	650,000	650,000	650,000
Motor Vehicle Division Building		9,350,000	
Total Appropriations	45,173,387	53,993,632	49,765,009
Total Expenditures	1,088,803,277	1,094,612,082	1,096,956,738
Reversions	(4,528,476)	0	0
Total Appropriations/Expenditures	1,084,274,801	1,094,612,082	1,096,956,738
Net Available Balance Forward	104,551,777	66,261,643	66,595,383

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PRIMARY ROAD FUND

The Primary Road Fund (PRF) is created in the Iowa Code. Funding is provided by formula from the Road Use Tax Fund; all federal aid received by the state for primary and urban roads; and all other funds which may by law be credited to the PRF. Unless otherwise specified, all funds in the Primary Road Fund are to be expended for highway construction and maintenance purposes including bridge construction, railroad crossing improvements, state institutional and state park roads, and city freeway lighting systems. Primary Road Fund dollars are also subject to legislative appropriations for such things as Department of Transportation operational expenses and programs, costs associated with the disposal of hazardous wastes, and capital improvement projects.

State of Iowa

Primary Road Fund

Source and Distribution of Funds

	Actual FY 2005	Estimated FY 2006	Governor's Recommendation FY 2007
Resources			
Beginning Balance	85,056,098	149,082,439	118,387,552
Adjustment to Balance	664,441		
Revenues			
Sales Tax	4,995	5,000	5,000
Federal Support	261,928,711	197,800,000	197,800,000
Local Government Receipts	2,091,343	4,600,000	4,600,000
Other States Receipts	2,348,659	75,000	75,000
Intra-State Receipts	519,429,144	517,253,761	517,253,761
Reimbursements from Other Dept.	232,344	160,000	160,000
Interest	2,806	1,000	1,000
Bonds and Loans	730,683	100	
Fees, Licenses and Permits	1,164,505	860,000	860,000
Refunds and Reimbursements	784,912	4,010,000	4,010,100
Sale of Real Estate	5,293,027	1,710,000	1,710,000
Rents and Leases	28,303	16,000	16,000
Other	9,850,922	2,750,000	2,750,000
Total Available Resources	889,610,893	878,323,300	847,628,413
Expenditures			
Travel and Subsistence	108,255	4,600	4,600
Supplies and Services	4,375,559	2,745,500	2,745,500
Contractual Services	63,961,071	54,035,000	54,035,000
Equipment and Repairs	1,090,453	453,560	454,560
Claims and Miscellaneous	541,567	1,317,000	1,317,000
Licenses, Permits and Refunds	151,179	491,100	491,100
State Aid and Credits	276,115	1,000	
Capitals	442,540,152	448,500,000	448,500,000
Fund Expenditures	513,044,351	507,547,760	507,547,760
Appropriations			
Dept. of Administrative Services			
Primary Road Fund Approp.	491,752		
Dept. of Management			
Primary Road Fund Salary Adjustment	715,438	2,765,937	12,000,000
Dept. of Transportation			
Field Facility Deferred Maint.	351,500	351,500	351,500
Transportation Maps	275,000	275,000	235,000
PRF - Operations	33,886,242	34,081,559	34,412,659
PRF - Administrative Services	3,591,903	3,473,167	3,400,067
PRF - Planning and Program	8,980,115	8,978,251	8,901,251
PRF - Maintenance	189,914,084	194,812,346	198,956,346
PRF - Motor Vehicle	1,318,248	1,283,891	1,283,891

State of Iowa

Primary Road Fund

Source and Distribution of Funds

	Actual FY 2005	Estimated FY 2006	Governor's Recommendation FY 2007
Personnel Reimbursement	712,500		
PRF - DOT Unemployment	328,000	328,000	328,000
PRF - DOT Workers Compensation	2,268,000	2,738,000	3,011,520
Indirect Cost Recoveries	748,000	748,000	748,000
Auditor Reimbursement	336,036	338,840	346,580
Dept. of Administrative Services Reimb.		863,497	860,000
PRF-Inventory and Equipment Repl.			2,250,000
Garage Fuel and Waste Management	800,000	800,000	800,000
DOT Capitals - FY 2005	650,000		
DOT Capitals - Garage Roofs		150,000	100,000
DOT Capitals - Utility Improvements		150,000	400,000
DOT Capitals - Heating, Cooling, Exhaust		250,000	100,000
DOT Capitals - Fairfield Garage			2,500,000
DOT Capitals - ADA Improvements			200,000
DOT Capitals - Ames Complex Parking			200,000
DOT Capitals - Ames Complex Elevators			100,000
Total Appropriations	245,366,818	252,387,988	271,484,814
Total Expenditures	758,411,169	759,935,748	779,032,574
Reversions	(17,882,715)	-	-
Total Appropriations/Expenditures	740,528,454	759,935,748	779,032,574
Net Available Balance Forward	149,082,439	118,387,552	68,595,839

STATE OF IOWA
HISTORY OF APPROPRIABLE RECEIPTS
 (IN \$ THOUSANDS)
 Cash Basis

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SPECIAL TAXES:										
Personal Income Tax	2,000,898	2,123,126	2,288,427	2,233,710	2,375,919	2,426,519	2,372,022	2,417,614	2,592,271	2,782,351
Sales Tax	1,212,994	1,237,300	1,271,811	1,377,457	1,416,565	1,441,708	1,452,962	1,450,314	1,465,592	1,515,515
Corporation Income Tax	277,637	318,770	290,715	321,790	326,141	249,368	238,540	254,152	266,752	280,874
Use Tax	207,824	223,094	243,021	242,663	246,795	284,832	221,248	237,042	234,787	296,789
Inheritance Tax	95,898	109,347	109,811	90,142	114,771	104,578	100,351	88,136	80,121	78,393
Insurance Premium Tax	104,274	105,957	108,870	114,345	120,212	126,608	135,372	142,236	138,227	130,932
Cigarette & Tobacco Taxes	99,444	100,276	100,722	98,854	97,688	96,219	95,181	95,545	95,105	96,162
Beer & Liquor Taxes	12,550	12,476	12,671	13,115	13,586	13,569	13,767	13,918	14,003	14,011
Franchise Tax	26,476	35,643	36,405	33,756	31,764	31,247	30,916	35,256	38,011	35,419
Miscellaneous Taxes	935	1,191	1,300	1,064	1,289	1,297	1,463	1,088	1,079	569
TOTAL SPECIAL TAXES	4,038,930	4,267,180	4,463,753	4,526,896	4,744,730	4,775,945	4,661,822	4,735,301	4,925,948	5,231,015
Percentage Increase	5.76%	5.65%	4.61%	1.41%	4.81%	0.66%	-2.39%	1.58%	4.03%	6.19%
OTHER RECEIPTS										
Institutional Payments	105,036	104,313	70,186	50,748	49,068	47,321	48,495	16,172	13,684	12,709
Liquor Transfers	37,972	37,802	40,000	41,320	45,000	46,500	47,500	49,000	58,000	59,000
Interest	13,466	17,959	30,569	34,059	25,974	18,166	25,318	18,070	7,558	9,687
Fees	61,767	63,596	65,381	58,400	66,349	72,483	70,227	72,131	79,869	72,321
Judicial Revenue	40,002	42,945	42,913	48,267	52,299	48,816	51,889	54,698	57,493	59,158
Miscellaneous Receipts	49,545	53,898	58,126	61,328	52,893	45,188	42,152	41,352	55,161	65,062
Racing & Gaming Receipts	57,847	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
TOTAL OTHER RECEIPTS	365,635	380,513	367,175	354,122	351,583	338,474	345,581	311,423	331,765	337,937
	9.13%	4.07%	-3.51%	-3.55%	-0.72%	-3.73%	2.10%	-9.88%	6.53%	1.86%
TOTAL APPROPRIABLE RECEIPTS	4,404,565	4,647,693	4,830,928	4,881,018	5,096,313	5,114,419	5,007,403	5,046,724	5,257,713	5,568,952
Percentage Increase	6.03%	5.52%	3.94%	1.04%	4.41%	0.36%	-2.09%	0.79%	4.18%	5.92%

STATE OF IOWA
FUNDING ELEMENTARY AND SECONDARY EDUCATION
General Operating Fund Only (In Millions)

	Actual 94/95		Actual 95/96		Actual 96/97		Actual 97/98		Actual 98/99		Actual 99/00	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
Uniform Property Taxes	410.1	17.00	422.0	16.59	427.8	15.72	438.9	15.42	461.4	12.74	480.6	15.32
Additional Property Taxes	411.9	17.07	431.4	16.96	369.7	13.59	382.4	13.43	405.6	11.20	378.7	12.07
ISL Property Taxes	38.2	1.58	41.3	1.62	43.5	1.60	46.1	1.62	49.6	1.37	50.6	1.61
State Foundation Aid	1,266.2	52.47	1,330.9	52.32	1,489.2	54.73	1,558.2	54.73	1,611.9	44.51	1,698.5	54.15
Other State Aid	94.3	3.91	94.6	3.72	126.6	4.65	127.8	4.49	144.6	3.99	167.5	5.34
Income Surtaxes	18.8	0.78	20.4	0.80	24.7	0.91	31.3	1.10	33.9	0.94	38.2	1.22
Other Miscellaneous	<u>173.5</u>	<u>7.19</u>	<u>203.3</u>	<u>7.99</u>	<u>239.5</u>	<u>8.80</u>	<u>262.3</u>	<u>9.21</u>	<u>278.5</u>	<u>7.69</u>	<u>322.6</u>	<u>10.28</u>
Total Funds	<u>2,413.0</u>	<u>100.00</u>	<u>2,543.9</u>	<u>100.00</u>	<u>2,721.0</u>	<u>100.0</u>	<u>2,847.0</u>	<u>100.0</u>	<u>2,985.5</u>	<u>82.4</u>	<u>3,136.7</u>	<u>100.0</u>

Formula (Weighted) Enrollment 548,681 566,798 569,723 569,387
Actual Fall Enrollment 500,593 505,523 502,534 498,607

	Actual 00/01		Actual 01/02		Actual 02/03		Actual 03/04		Estimated 04/05		Estimated 05/06	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
Uniform Property Taxes	500.1	15.32	522.2	15.62	536.2	15.47	548.7	15.66	532.5	14.70	543.7	14.41
Additional Property Taxes	405.2	12.41	425.2	12.72	465.5	13.43	476.3	13.59	499.3	13.79	509.2	13.50
ISL Property Taxes	59.0	1.81	64.4	1.93	68.5	1.98	73.9	2.11	77.7	2.15	79.4	2.10
State Foundation Aid	1,747.3	53.52	1,725.1	51.60	1,784.1	51.47	1,776.7	50.69	1,881.2	51.94	1,963.9	52.05
Other State Aid	173.9	5.33	203.1	6.08	178.2	5.14	167.3	4.77	169.1	4.67	203.8	5.40
Income Surtaxes	36.3	1.11	42.1	1.26	47.3	1.36	47.0	1.34	47.0	1.30	58.0	1.54
Other Miscellaneous	<u>343.1</u>	<u>10.51</u>	<u>360.8</u>	<u>10.79</u>	<u>386.5</u>	<u>11.15</u>	<u>414.9</u>	<u>11.84</u>	<u>414.9</u>	<u>11.46</u>	<u>414.9</u>	<u>11.00</u>
Total Funds	<u>3,264.9</u>	<u>100.0</u>	<u>3,342.9</u>	<u>100.0</u>	<u>3,466.3</u>	<u>100.0</u>	<u>3,504.8</u>	<u>100.0</u>	<u>3,621.7</u>	<u>100.0</u>	<u>3,772.9</u>	<u>100.0</u>

Formula (Weighted) Enrollment 567,344 562,056 561,386 560,606
Actual Fall Enrollment 494,290 489,522 485,011 483,335

Statewide Financial Fund Summaries

General Fund Appropriation by Function

Function				
	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
General Fund Use Only				
Total General Fund Use Only	0	0	0	0
Administration and Regulation				
Regular	121,704,316	125,786,935	132,174,195	212,922,770
Standing Limited	5,195,650	5,700,892	5,951,246	3,876,246
Standing Unlimited	85,989,988	33,538,894	38,460,200	38,556,000
Total Administration and Regulation	212,889,954	165,026,721	176,585,641	255,355,016
Agriculture and Natural Resources				
Regular	34,940,463	36,750,180	41,961,800	37,600,180
Total Agriculture and Natural Resources	34,940,463	36,750,180	41,961,800	37,600,180
Economic Development				
Regular	26,432,326	27,196,474	27,586,474	27,261,474
Standing Limited	527,786	57,250,000	74,113,133	53,858,450
Total Economic Development	26,960,112	84,446,474	101,699,607	81,119,924
Education				
Regular	930,622,832	966,525,637	1,084,331,425	1,050,629,806
Standing Limited	61,426,805	63,617,690	67,758,105	66,598,105
Standing Unlimited	1,903,657,552	1,986,629,589	2,096,071,990	2,071,363,287
Total Education	2,895,707,189	3,016,772,916	3,248,161,520	3,188,591,198
Human Services				
Regular	859,054,622	1,027,912,809	1,249,055,201	1,108,808,034
Standing Limited	95,326,693	95,440,000	95,440,000	95,440,000
Standing Unlimited	176,492	176,492	176,492	176,492
Total Human Services	954,557,807	1,123,529,301	1,344,671,693	1,204,424,526
Justice System				
Regular	480,756,783	512,686,650	559,826,372	538,673,884
Standing Unlimited	290,947	488,009	488,009	488,009
Total Justice System	481,047,730	513,174,659	560,314,381	539,161,893
Transportation				
Regular	100,751	0	3,000,000	0
Total Transportation	100,751	0	3,000,000	0
Capital				
Total Capital	0	0	0	0
Total General Fund Appropriation	4,606,204,006	4,939,700,251	5,476,394,643	5,306,252,737

General Fund Appropriation Detail by Function

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
General Fund Use Only				
Administration and Regulation				
Administrative Services, Department of				
Administrative Services, Dept.	5,248,434	5,048,824	6,746,593	6,178,993
Utilities	2,576,000	3,080,865	3,420,865	3,420,865
DAS Distribution Account	1,032,852	(71,714)	0	0
DAS - Revolving Fund	1,889,610	0	0	0
Financial Administration	0	200,000	200,000	200,000
Federal Cash Management	81,245	436,250	436,250	436,250
Standing				
Unemployment Comp-State Stg.	408,513	538,750	538,750	538,750
Municipal Fire & Police Retirement	2,745,784	2,745,784	2,745,784	2,745,784
Total Administrative Services, Department of Appropriations	13,982,438	11,978,759	14,088,242	13,520,642
Auditor of State				
Auditor of State - General Office	1,172,208	1,207,341	1,264,700	1,207,341
Total Auditor of State Appropriations	1,172,208	1,207,341	1,264,700	1,207,341
Iowa Ethics & Campaign Disclosure Board				
Iowa Ethics & Campaign Disclosure Board	433,245	487,023	497,056	497,056
Total Iowa Ethics & Campaign Disclosure Board Appropriations	433,245	487,023	497,056	497,056
Commerce, Department of				
Alcoholic Beverages Operations	1,883,441	1,930,962	1,930,962	1,930,962
Banking Division	6,364,545	7,059,508	7,222,008	7,222,008
Credit Union Division	1,382,568	1,455,874	1,455,874	1,455,874
Insurance Division	3,870,891	4,517,481	4,517,481	4,517,481
Professional Licensing Division	782,671	863,462	863,462	793,462
Utilities Division	6,898,108	7,230,820	7,230,820	7,230,820
Total Commerce, Department of Appropriations	21,182,225	23,058,107	23,220,607	23,150,607
Executive Council				
Court Costs	220,362	73,125	73,125	73,125
Public Improvements	629	48,750	48,750	48,750
Performance Of Duty	2,179,397	1,462,500	1,462,500	1,462,500
Drainage Assessment	43,903	24,375	24,375	24,375
Total Executive Council Appropriations	2,444,292	1,608,750	1,608,750	1,608,750
Legislative Branch				
House	8,875,734	8,564,023	11,344,000	11,344,000
Senate	5,985,573	6,190,318	7,298,000	7,298,000
Joint Legislative Expenses	188,599	855,000	855,000	855,000
Citizens Aide	1,047,770	1,163,083	1,280,059	1,280,059
International Relations Account	10,000	0	10,000	10,000
Legislative Services Agency	10,456,582	10,766,510	11,673,181	11,668,981
Uniform State Laws Commission	0	20,698	20,698	20,698
Total Legislative Branch Appropriations	26,564,258	27,559,632	32,480,938	32,476,738

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Governor/Lt. Governor's Office				
Interstate Extradition	0	3,710	3,710	3,710
Presidential Electors	581	0	0	0
Governor/Lt. Governor's Office	1,569,857	1,823,111	1,823,111	1,823,111
Administrative Rules Coordinator	136,458	150,013	150,013	150,013
Terrace Hill Quarters	343,149	378,633	378,633	401,309
National Governor's Association	164,393	64,393	77,500	168,657
State-Federal Relations	111,236	115,748	115,748	115,748
Governor Elect Expenses	0	0	0	100,000
Total Governor/Lt. Governor's Office Appropriations	2,325,675	2,535,608	2,548,715	2,762,548
Governor's Office of Drug Control Policy				
Drug Policy Coordinator	263,195	307,730	453,283	307,730
Total Governor's Office of Drug Control Policy Appropriations	263,195	307,730	453,283	307,730
Human Rights, Department of				
Human Rights Administration	312,660	317,028	317,028	387,028
Asian and Pacific Islanders	0	6,000	86,000	86,000
Deaf Services	362,710	374,367	374,367	374,367
Persons with Disabilities	184,971	193,531	268,531	193,531
Latino Affairs	166,718	170,749	170,749	170,749
Status of Women	329,530	335,501	452,501	335,501
Status of African Americans	118,296	121,655	485,000	171,655
Criminal & Juvenile Justice	403,774	827,398	2,698,026	1,098,026
Total Human Rights, Department of Appropriations	1,878,659	2,346,229	4,852,202	2,816,857
Inspections & Appeals, Department of				
Child Advocacy Board	1,962,059	2,068,667	2,479,770	2,068,667
Employment Appeal Board	52,869	54,600	54,600	54,600
Administration Division	1,661,342	1,577,318	1,636,251	2,091,251
Administrative Hearings Div.	614,114	634,647	634,647	634,647
Investigations Division	1,407,295	1,484,421	1,491,003	1,491,003
Health Facilities Division	2,276,836	2,419,742	2,419,742	2,339,742
Indigent Defense Appropriation	22,251,339	21,163,082	24,200,000	27,663,082
Public Defender	18,444,964	19,172,795	19,792,963	19,792,963
Pari-Mutuel Regulation	2,208,807	2,617,511	2,657,394	2,657,394
Riverboat Regulation	1,863,403	2,491,949	3,199,440	3,199,440
Pari-Mutual Investigations	217,161	0	0	0
Total Inspections & Appeals, Department of Appropriations	52,960,189	53,684,732	58,565,810	61,992,789
Management, Department of				
Special Olympics Fund	30,000	50,000	50,000	0
Indian Settlement Officer	25,000	25,000	25,000	0
Appeal Board Claims	11,604,499	4,387,500	4,387,500	4,387,500
Cash Reserve Goal Appropriation	45,500,000	0	0	0

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Management Departmental Oper.	2,164,904	2,244,335	2,338,832	2,338,832
Salary Adjustment Fund	0	154,135	0	39,632,095
Enterprise Resource Planning	57,435	57,435	119,435	119,435
Local Government Innovation Fd	0	0	0	1,000,000
Salary Model Administrator	123,598	127,936	127,936	127,936
Performance Audits	0	216,000	216,000	216,000
Institute for Tomorrow's Workforce	0	150,000	0	0
DOM - LEAN/Process Improvement	0	0	315,000	222,000
Property Tax Credit Fund	0	0	0	39,894,525
Total Management, Department of Appropriations	59,505,436	7,412,341	7,579,703	87,938,323
Revenue, Department of				
Livestock Producers Credit	1,770,342	1,770,342	2,000,000	0
Printing Cigarette Stamps	107,304	107,304	128,000	128,000
Collection Costs and Fees	27,462	27,462	27,462	27,462
Collection Agencies	(125,332)	0	0	0
Revenue, Department of	25,205,162	27,001,429	23,597,516	23,247,516
Tobacco Reporting Requirements	25,000	25,000	25,000	25,000
Total Revenue, Department of Appropriations	27,009,938	28,931,537	25,777,978	23,427,978
Secretary of State				
Constitutional Amendments	1,689	0	0	0
Admin/Elections/Voter Reg	660,233	707,942	707,942	707,942
Secretary of State-Business Services	1,684,012	2,003,091	2,003,091	2,003,091
Biennial Reporting	0	275,000	0	0
Total Secretary of State Appropriations	2,345,934	2,986,033	2,711,033	2,711,033
Treasurer of State				
Treasurer - General Office	822,261	922,899	936,624	936,624
Total Treasurer of State Appropriations	822,261	922,899	936,624	936,624
Agriculture and Natural Resources				
Agriculture and Land Stewardship				
GF-Administrative Division	17,263,319	17,837,900	21,249,520	18,187,900
Avian Influenza	50,000	50,000	50,000	50,000
Missouri River Authority	9,535	9,535	9,535	9,535
Chronic Wasting Disease	0	100,000	100,000	100,000
Sr. Farmers Market Program	0	77,000	77,000	77,000
Regulatory Dairy Products	632,170	643,166	643,166	643,166
Apiary Program	0	40,000	40,000	40,000
Soil Commissioners Expense	0	200,000	250,000	200,000
Total Agriculture and Land Stewardship Appropriations	17,955,024	18,957,601	22,419,221	19,307,601
Natural Resources, Department of				
GF-Natural Resources Operations	16,968,439	17,792,579	19,542,579	18,292,579
Hush Pilot Program-DNR	17,000	0	0	0

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department			FY 2007	
	FY 2005	FY 2006	Total	FY 2007
Appropriation	Actuals	Current Year Budget Estimate	Department Request	Total Governor's Recommended
Total Natural Resources, Department of Appropriations	16,985,439	17,792,579	19,542,579	18,292,579
Economic Development				
Economic Development, Department of				
School To Career Refund	27,786	0	0	0
Economic Development Administration	1,956,332	1,875,845	1,990,845	1,990,845
World Food Prize	285,000	285,000	285,000	285,000
Endow Iowa Grants	0	50,000	50,000	50,000
Special Olympics	500,000	0	0	0
Grow Iowa Values Fund	0	50,000,000	50,000,000	50,000,000
Community Attraction & Tourism	0	7,000,000	7,000,000	0
Business Development	6,084,500	6,215,394	6,215,394	6,215,394
Community Development Block Grant	5,505,725	5,654,173	5,654,173	5,154,173
Bioscience Alliance	0	0	16,425,000	2,309,252
ICVS-RSVP	0	0	188,133	174,198
ICVS-Promise	0	0	250,000	125,000
Lean Manufacturing	0	0	0	250,000
Total Economic Development, Department of Appropriations	14,359,343	71,080,412	88,058,545	66,553,862
Iowa Finance Authority				
Entrepreneurs w/Disability	0	200,000	200,000	200,000
State Housing Trust Fund GF	0	0	0	1,000,000
Total Iowa Finance Authority Appropriations	0	200,000	200,000	1,200,000
Iowa Workforce Development				
IWD General Fund - Operations	5,151,919	5,278,800	5,278,800	5,478,800
Skill Credentials Initiative	0	0	200,000	0
Tier 2 Reporting	0	0	75,000	0
Workforce Development Field Offices	6,525,000	6,856,655	6,856,655	6,856,655
Total Iowa Workforce Development Appropriations	11,676,919	12,135,455	12,410,455	12,335,455
Public Employment Relations Board				
Per Board - General Office	923,850	1,030,607	1,030,607	1,030,607
Total Public Employment Relations Board Appropriations	923,850	1,030,607	1,030,607	1,030,607
Education				
Blind, Iowa Commission for the				
Department for the Blind	1,591,275	1,954,105	2,074,410	1,954,105
Total Blind, Iowa Commission for the Appropriations	1,591,275	1,954,105	2,074,410	1,954,105
College Student Aid Commission				
Tuition Grant Program-Standing	47,157,515	49,673,575	52,653,990	52,653,990
Scholarship Program-Standing	465,175	0	0	0

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Vocational Technical Tuition Grant	2,533,115	2,533,115	3,533,115	2,533,115
College Work Study	0	140,000	300,000	140,000
College Aid Commission	349,494	364,640	370,464	364,640
National Guard Benefits Program	2,900,000	3,725,000	3,800,000	3,800,000
Des Moines University-Osteopathic Loans	50,000	50,000	100,000	50,000
Des Moines University - Physician Recruitment	346,451	346,451	346,451	346,451
Washington DC Internships	0	0	76,400	76,400
Iowa Grants	1,029,784	1,029,784	1,029,784	1,029,784
Teacher Shortage Forgivable Loan	460,472	285,000	285,000	285,000
Total College Student Aid Commission Appropriations	55,292,006	58,147,565	62,495,204	61,279,380
Cultural Affairs, Department of				
Arts Council	1,157,486	1,181,329	1,357,402	1,181,329
Cultural Grants	299,240	299,240	380,000	299,240
Historical Society	3,040,920	3,239,269	3,461,254	3,425,037
Archiving Former Governor's Papers	0	75,000	75,000	75,000
Great Places	100,000	200,000	3,000,000	500,000
Music Grants	0	25,000	25,000	25,000
Administrative Division - Cultural Affairs	235,636	240,195	240,195	240,195
Historic Sites	526,459	534,676	534,676	534,676
Total Cultural Affairs, Department of Appropriations	5,359,741	5,794,709	9,073,527	6,280,477
Education, Department of				
Child Development	11,271,000	11,271,000	11,271,000	11,271,000
Instructional Support	14,428,247	14,428,271	14,798,227	14,798,227
State Foundation School Aid	1,881,273,764	1,963,927,555	2,073,000,000	2,048,201,297
Transportation Of Nonpublic Pu Administration	7,955,541	8,273,763	8,273,763	8,363,763
Vocational Education Administration	5,419,542	5,418,607	6,423,076	5,762,147
School Food Service	514,828	530,429	530,429	530,429
Textbook Services For Nonpublic	2,509,683	2,509,683	2,509,683	2,509,683
Vocational Education Secondary	590,458	614,058	614,058	624,058
Merged Area Schools-General Ai	2,936,904	2,936,904	2,936,904	2,936,904
Closing Achievernt Gap	139,779,244	149,579,244	160,829,244	155,562,414
Teacher Excellence Program	500,000	0	0	0
Teacher Quality/Student Achievement	55,469,053	55,469,053	55,469,053	55,469,053
Voluntary Preschool Access	45,283,894	69,593,894	85,168,903	99,593,894
High School Reform	0	0	12,781,250	15,000,000
Sharing & Teacher Shortage Incentives	0	0	762,970	270,000
Connect Students to the Workplace	0	0	8,800,000	0
Jobs For America's Grads	0	0	1,950,000	0
State Library	400,000	400,000	500,000	600,000
Library Service Areas	1,378,555	1,420,694	1,845,694	1,620,694
	1,376,558	1,376,558	2,000,000	1,376,558

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department			FY 2007	FY 2007
Appropriation	FY 2005	FY 2006	Total	Total Governor's
	Actuals	Current Year	Department	Recommended
		Budget Estimate	Request	
Enrich Iowa Libraries	1,698,432	1,698,432	2,013,432	2,913,432
Early Intervention Block Grant	29,250,000	29,250,000	29,250,000	29,250,000
Empowerment Board - School Ready	13,381,594	23,781,594	23,056,594	23,156,594
Vocational Rehabilitation DOE	4,340,050	4,779,655	5,116,174	4,779,655
Independent Living	54,150	54,421	54,421	54,421
Regional Tele Councils	1,600,806	1,240,478	1,272,285	1,240,478
Iowa Public Television	6,596,394	7,596,113	8,635,107	7,966,744
Total Education, Department of Appropriations	2,228,008,697	2,356,150,406	2,519,862,267	2,493,851,445
Regents, Board of				
BOR Universities	0	0	611,482,911	582,052,590
BOR Special Schools	0	0	14,305,786	14,305,786
BOR Economic Development	0	0	2,971,853	2,971,853
BOR Special Purpose for Education	0	0	25,895,562	25,895,562
SUI - General University	220,131,572	226,306,403	0	0
State of Iowa Cancer Registry	178,739	178,739	0	0
Iowa Birth Defects Registry	44,636	44,636	0	0
University Hospitals	27,284,584	0	0	0
University of Iowa-Psychiatric Hospital	7,043,056	7,043,056	0	0
Cntr For Disabilities And Dev	6,363,265	6,363,265	0	0
University of Iowa-Oakdale Campus	2,657,335	2,657,335	0	0
University of Iowa-Hygienic Laboratory	3,849,461	3,849,461	0	0
Family Practice Program	2,075,948	2,075,948	0	0
SCHS - Spec. Child Health	649,066	649,066	0	0
SUI Subs Abuse Consortium	64,871	64,871	0	0
Primary Health Care	759,875	759,875	0	0
Iowa State: Gen. University	173,269,729	177,328,346	0	0
ISU--Ag Experiment Station	31,019,520	32,117,925	0	0
ISU--Cooperative Extension	19,738,432	20,569,125	0	0
ISU Leopold Center	464,319	464,319	0	0
University of Northern Iowa	77,831,821	80,638,563	0	0
Recycling and Reuse Center	211,858	211,858	0	0
Iowa School For The Deaf	8,470,471	8,810,471	0	0
SUI - Economic Development	247,005	247,005	0	0
Iowa Braille And Sight Saving	4,740,295	4,930,295	0	0
Regent Board Office	1,167,137	1,167,137	0	0
Tuition Replacement Bonding Pr	13,009,474	13,975,431	0	0
Tri State Graduate	77,941	77,941	0	0
Tuition and Transportation	15,020	15,020	0	0
Southwest Iowa Resource Ctr	105,956	105,956	0	0
Quad Cities Grad Ctr	157,144	157,144	0	0
Midwestern Higher Ed Consortium	0	90,000	0	0
Biocatalysis	881,384	881,384	0	0
ISU - Economic Development	2,363,557	2,363,557	0	0
UNI - Economic Development	361,291	361,291	0	0
Livestock Disease Research	220,708	220,708	0	0

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Total Regents, Board of Appropriations	605,455,470	594,726,131	654,656,112	625,225,791
Human Services				
Elder Affairs, Department of				
Aging Programs	2,730,522	2,828,543	2,815,375	5,653,477
Total Elder Affairs, Department of Appropriations	2,730,522	2,828,543	2,815,375	5,653,477
Public Health, Department of				
Iowa Registry for Congenital & Inherited Disorders	107,809	200,000	200,000	200,000
Addictive Disorders	1,267,111	1,761,036	1,761,036	5,761,036
Adult Wellness	304,067	304,067	0	0
Healthy Children and Families	915,803	916,280	3,187,014	2,341,264
Chronic Conditions	845,863	1,279,671	1,961,840	1,442,840
Community Capacity	1,267,359	1,354,083	1,418,662	1,418,662
Elderly Wellness	9,233,985	9,233,985	9,233,985	9,233,985
Environmental Hazards	251,808	353,133	423,821	423,821
Infectious Diseases	1,079,703	1,100,230	1,100,230	1,100,230
Injuries	1,379,358	1,329,258	0	0
Public Protection	6,622,719	7,147,106	7,811,265	7,811,265
Resource Management	976,087	1,095,862	1,049,229	1,016,420
PKU Assistance	0	100,000	0	0
Uninsured Prescription Drug Access	10,000	0	0	0
Hearing Impaired Licensure	60,390	0	0	0
Total Public Health, Department of Appropriations	24,322,062	26,174,711	28,147,082	30,749,523
Human Services, Department of				
Commission Of Inquiry	1,706	1,706	1,706	1,706
Non Residents Transfers	82	82	82	82
Non Resident Commitment M.III	174,704	174,704	174,704	174,704
General Administration	13,312,196	13,978,386	14,203,878	14,028,679
Field Operations	53,519,372	56,829,276	66,084,648	58,755,700
Child Support Recoveries	7,773,099	8,214,690	9,070,829	8,214,690
Toledo Juvenile Home	6,091,283	6,667,121	7,060,792	6,667,400
Eldora Training School	9,622,692	10,546,241	10,638,488	10,583,148
Civil Commitment Unit for Sexual Offenders	3,621,338	4,025,704	4,864,657	4,750,704
Cherokee MHI	13,011,389	4,852,942	5,087,039	4,893,698
Cherokee MHI	13,011,389	4,852,942	5,087,039	4,893,698
Clarinda MHI	7,479,591	5,669,983	6,263,463	5,929,344
Independence MHI	17,299,891	8,929,177	9,260,473	9,006,899
Mt Pleasant MHI	6,091,181	591,855	976,351	596,333
Glenwood Resource Center	9,683,925	16,316,040	14,873,377	14,506,583
Woodward Resource Center	5,615,615	8,203,796	8,802,292	8,590,761
MH Property Tax Relief	95,000,000	95,000,000	95,000,000	95,000,000
Child Abuse Prevention	218,884	240,000	240,000	240,000
Family Investment Program/JOBS	39,077,222	40,461,923	43,671,080	41,854,109
State Supplementary Assistance	19,273,135	19,810,335	19,810,335	19,010,335

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Medical Assistance	422,810,068	560,850,253	725,910,501	611,903,273
State Children's Health Insurance	12,118,275	16,568,275	22,939,384	19,703,685
Health Insurance Premium Payment	615,213	634,162	634,162	634,162
County Hospitals	200,000	0	0	0
Medical Contracts	10,725,035	14,711,985	15,211,985	14,711,985
MH/DD Growth Factor	23,738,749	28,507,362	35,788,041	35,788,041
MH/DD Community Services	17,757,890	17,757,890	18,107,890	17,757,890
Family Support Subsidy	1,936,434	1,936,434	2,368,455	1,936,434
Connors Training	42,623	42,623	42,623	42,623
Personal Assistance	205,748	0	0	0
Volunteers	109,568	109,568	109,568	109,568
Child Care Assistance	5,050,752	15,800,752	29,265,230	25,717,949
MI/MR/DD State Cases	11,264,619	10,864,619	11,013,320	11,013,320
Adoption Subsidy	0	32,250,000	33,237,285	33,446,063
Child and Family Services	97,457,784	75,200,000	82,162,405	77,411,361
Preparation for Adult Living Services	0	0	1,134,773	1,138,682
Total Human Services, Department of Appropriations	923,911,452	1,080,600,826	1,299,096,855	1,159,013,609
Veterans Affairs, Commission of				
General Administration	295,717	332,114	561,654	332,114
Iowa Veterans Home	16,309,443	18,446,049	19,137,766	13,569,501
Total Veterans Affairs, Commission of Appropriations	16,605,160	18,778,163	19,699,420	13,901,615
Justice System				
Attorney General				
General Office A.G.	7,774,280	8,329,413	8,479,413	8,429,413
Victim Assistance Grants	5,000	5,000	205,000	205,000
Legal Services Poverty Grants	0	900,000	900,000	900,000
Consumer Advocate	2,960,442	2,887,017	2,887,017	2,887,017
Total Attorney General Appropriations	10,739,723	12,121,430	12,471,430	12,421,430
Civil Rights Commission				
Civil Rights Commission	944,088	985,753	1,076,452	985,753
Total Civil Rights Commission Appropriations	944,088	985,753	1,076,452	985,753
Corrections, Department of				
CBC District I	10,165,157	11,043,105	11,817,952	11,313,520
CBC District II	7,820,474	8,741,865	9,263,235	8,931,030
CBC District III	4,677,869	5,111,348	5,361,110	5,292,569
CBC District IV	4,276,113	4,677,524	4,885,602	4,817,061
CBC District V	13,132,111	14,922,909	16,389,535	16,352,504
CBC District VI	10,127,564	10,935,021	11,621,987	11,225,427
CBC District VII	5,713,009	6,148,378	6,680,833	6,608,910
CBC District VIII	5,618,451	6,209,818	6,704,276	6,408,344
State Cases Court Costs	0	66,370	66,370	66,370
Corrections Administration	3,244,124	2,939,637	4,008,599	4,074,737

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Iowa Corrections Offender Network	427,700	427,700	1,177,700	427,700
County Confinement	674,954	674,954	674,954	799,954
Federal Prisoners/ Contractual	241,293	241,293	241,293	241,293
Corrections Education	1,008,358	1,058,358	2,808,358	1,058,358
Mental Health/Substance Abuse - DOC wide	0	25,000	25,000	25,000
Ft. Madison Institution	38,170,426	40,489,555	41,667,569	42,423,619
Anamosa Institution	27,015,049	28,317,716	28,903,747	28,903,747
Oakdale Institution	23,724,725	26,155,941	40,895,041	31,800,457
Newton Institution	24,631,729	25,875,721	26,150,267	26,150,267
Mt. Pleasant Inst.	22,560,276	24,499,564	24,929,418	24,929,418
Rockwell City Institution	7,797,776	8,426,532	8,604,680	8,604,680
Clarinda Institution	22,590,992	23,988,327	24,301,412	24,251,587
Mitchellville Institution	13,248,001	14,478,140	15,024,802	14,974,976
Ft. Dodge Institution	25,984,774	27,520,531	27,758,806	27,758,806
Total Corrections, Department of Appropriations	272,850,925	292,975,307	319,962,546	307,440,334
Judicial Branch				
Judicial Branch	118,084,282	123,237,410	124,900,133	124,900,133
Youth Enrichment Pilot Project	0	100,000	0	0
Judicial Retirement	2,039,664	2,039,664	5,275,601	5,275,601
Total Judicial Branch Appropriations	120,123,946	125,377,074	130,175,734	130,175,734
Law Enforcement Academy				
Iowa Law Enforcement Academy	1,075,138	1,134,189	1,324,777	1,172,389
Total Law Enforcement Academy Appropriations	1,075,138	1,134,189	1,324,777	1,172,389
Parole, Board of				
Parole Board	1,072,560	1,151,678	1,156,960	1,227,848
Total Parole, Board of Appropriations	1,072,560	1,151,678	1,156,960	1,227,848
Public Defense, Department of				
Compensation and Expense	290,947	421,639	421,639	421,639
Public Defense, Department of	5,130,040	5,315,459	7,139,545	5,724,545
Civil Air Patrol	0	100,000	100,000	100,000
Homeland Security & Emergency Mgmt. Division	1,172,230	1,253,414	1,898,935	1,582,334
Total Public Defense, Department of Appropriations	6,593,217	7,090,512	9,560,119	7,828,518
Public Safety, Department of				
Public Safety Administration	3,073,274	3,191,874	4,796,348	3,656,020
Public Safety DCI	14,208,510	15,261,477	20,091,959	18,673,875
DCI - Crime Lab Equipment/ Training	0	342,000	485,000	342,000
Public Safety Undercover Funds	123,343	123,343	123,343	123,343
Narcotics Enforcement	3,930,089	4,896,396	5,496,885	5,349,198
DPS Fire Marshal	2,281,998	2,321,122	2,716,134	2,513,247
Iowa State Patrol	42,517,133	43,735,918	47,907,558	45,185,618

General Fund Appropriation Detail by Function (Continued)

Function				
Special Department			FY 2007 Total	FY 2007
	FY 2005	FY 2006	Department	Total Governor's
Appropriation	Actuals	Current Year Budget Estimate	Request	Recommended
DPS/SPOC Sick Leave Payout	316,179	316,179	691,179	691,179
Capital Building Security - General Fund	0	775,000	775,000	0
Fire Fighter Training	559,587	699,587	699,587	699,587
Fire Service	638,021	675,820	803,370	675,820
Total Public Safety, Department of Appropriations	67,648,134	72,338,716	84,586,363	77,909,887
Transportation				
Transportation, Department of				
Railroad / Rail Assistance	35,959	0	2,000,000	0
State Aviation Approp	64,792	0	1,000,000	0
Total Transportation, Department of Appropriations	100,751	0	3,000,000	0
Capital				
Total General Fund Appropriations	4,619,215,395	4,944,553,193	5,481,481,682	5,311,146,435

Major Fund Appropriation Report

Fund				
Special Department			FY 2007 Total	FY 2007
	FY 2005	FY 2006	Department	Total Governor's
Appropriation	Actuals	Current Year Budget Estimate	Request	Recommended
Local Housing Assistance Fund				
Commerce, Department of				
Real Estate Trust Account Audit	62,317	62,317	62,317	62,317
Total Local Housing Assistance Fund	62,317	62,317	62,317	62,317
Iowa Finance Authority				
Iowa Finance Authority				
Chapter 16 State Income Tax Exemption Bonds	0	0	165,000	0
Total Iowa Finance Authority	0	0	165,000	0
Rebuild Iowa Infrastructure Fund				
Administrative Services, Department of				
Pooled Technology 0017	1,861,496	3,802,000	5,516,940	3,884,940
Corrections, Department of				
DOC ICON - RIIF	0	0	0	500,000
Economic Development, Department of				
RIIF ACE Infrastructure	5,500,000	0	0	0
RIIF National Special Olympics	500,000	0	0	0
RIIF Cardiac/Recreational Center	200,000	0	0	0
RIIF Lewis/Clark Bicentennial	50,000	0	0	0
Community & Tourism Grant Appropriation	12,000,000	5,000,000	5,000,000	12,000,000

Major Fund Appropriation Report (Continued)

Fund				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Federal Enterprise Zone Matching Funds.	0	500,000	0	0
Ferry Boat Study	0	60,000	0	0
Iowa Finance Authority				
IFA water quality grants	0	0	0	5,000,000
Transitional Housing-RIIF	0	1,400,000	1,400,000	0
Education, Department of				
ICN Part III Leases & Maintenance Network	2,727,000	2,727,000	2,727,000	2,727,000
Iowa Learning Technologies	0	500,000	0	0
Human Rights, Department of				
Infrastructure for Integrating Justice Data System	0	0	2,645,066	0
Law Enforcement Academy				
ILEA - RIIF Funds	0	0	507,000	75,000
Management, Department of				
Environment 1st Appropriation	35,000,000	35,000,000	35,000,000	35,000,000
Vertical Infrastructure Fund	0	15,000,000	15,000,000	15,000,000
Parole, Board of				
Parole Board - RIIF	0	0	250,000	75,000
Public Safety, Department of				
DPS Capitol Security-RIIF Fd	800,000	0	0	0
DPS-Local Fire Revolving Prog	500,000	500,000	0	0
DPS Capitol Complex Upgrades	300,000	0	0	0
Regents, Board of				
Tuition Replacement - RIIF	858,764	0	0	9,680,321
Biosciences (RIIF)	0	0	0	10,000,000
Revenue, Department of				
SAVE Appropriation	10,000,000	10,000,000	10,000,000	10,000,000
Transportation, Department of				
Commercial Air Service Airports	1,100,000	0	0	1,000,000
General Aviation Airports	581,400	750,000	750,000	750,000
Aviation Improvements	500,000	564,792	0	0
Recreational Trails	0	1,000,000	2,000,000	1,000,000
Rail Assistance Program	0	35,959	0	0
Treasurer of State				
Prison Infrastructure Bonds-RIIF	0	0	0	5,416,604
County Fair Improvements	1,060,000	0	0	0

Major Fund Appropriation Report (Continued)

Fund				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Corrections Capital				
ISP Electrical Lease	333,168	333,168	333,168	333,168
DOC-Davenport CBC Facility	3,000,000	3,750,000	3,750,000	0
Fort Dodge CBC Residential Facility - RIIF	0	50,000	1,400,000	0
DOC Major Maintenance Request	0	0	35,657,000	0
DOC/Parole Board - Jesse Parker Bldg Rent - RIIF	0	105,300	210,600	0
Anamosa Dietary - RIIF	0	940,000	1,840,000	0
Training Center/CBC VII Rent	0	122,000	122,000	0
DOC Oakdale One Times - RIIF	0	0	0	332,000
Cultural Affairs Capital				
Battle Flags	100,000	220,000	220,000	220,000
Historic Site Preservation Grants	500,000	0	0	0
Historic Preservation	0	0	0	800,000
State Fair Authority Capital				
State Fair Capitals FY 05	250,000	0	0	0
State Fair Capitals FY 06	0	750,000	0	0
General Services Capital				
Complex Utility Tunnel	0	0	26,546,000	0
Repairs to Parking Lots and Sidewalks	0	0	1,545,000	0
Site Implementation Planning Services for CC	0	0	100,000	0
West Capitol Terrace Restoration/ Removal Parking L	0	0	2,300,000	0
Replace Court Ave Bridge	0	0	5,665,000	0
East Parking Lot Restoration	0	0	3,410,000	0
Capitol Interior	0	0	16,390,000	0
Wallace Building	0	625,000	500,000	0
Capitol Complex Electrical Distribution System Upg	0	1,843,878	7,202,600	0
GSE-Records Center Remodel	5,000,000	4,700,000	2,200,000	0
DHS-CCUSO Renovation	0	1,400,000	0	0
DHS - Toledo Renovation	0	1,161,045	1,521,045	0
Terrace Hill Maintenance	0	571,000	0	0
Planning for the Renovation of Grimes State Office	0	0	750,000	0
Restoration of Capitol Complex Carriage House	0	0	4,950,000	0
Renovation of 1000 E. Grand for Asbestos Abatement	0	0	15,000,000	0
Woodward Resource Center Wastewater Treatment Plan	0	0	2,443,000	0
DHS Iowa Juvenile School Home New Education & Infi	0	0	8,130,668	0
DGS-Leases/Assistance	2,271,617	1,824,000	1,824,500	0
DGS-Routine Maintenance	2,000,000	2,000,000	20,000,000	0
DGS-Lab Facility Routine Maint.	355,500	0	0	0

Major Fund Appropriation Report (Continued)

Fund				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Statewide Major Renovation & Repair	4,300,000	0	0	0
Monument Lighting	35,000	0	0	0
Statewide Major Maintenance	0	291,891	0	0
Human Services Capital				
Health/Safety/Loss	0	0	100,000	0
Maintenance	0	0	66,800	0
Residential Treatment Center Facility	0	250,000	0	0
Natural Resources Capital				
Lake Corneila	0	429,000	0	0
Waubonsie State Park	0	1,500,000	0	0
Fort Atkinson Restoration	0	500,000	0	0
Mid-America Port Commission	0	80,000	0	0
IA's Special Areas	0	0	1,500,000	1,500,000
State Park Infrastructure Renovations	0	0	2,500,000	0
LiDAR	0	0	1,500,000	0
Renewable Energy from Waste	0	0	1,500,000	0
Regional Office Construction	0	0	2,500,000	0
DESTINATION PARK-DNR	500,000	3,000,000	0	0
Lakes Restoration & Preservation-Water Quality	0	0	0	5,000,000
Public Defense Capital				
Waterloo Aviation Readiness Center/Addition/Alter	0	0	1,635,000	0
Spencer Armory Addition/Alteration	0	0	689,000	0
Ottumwa Armory Addition/Alteration	0	0	689,000	0
Camp Dodge Water Treatment Facility Upgrade	0	0	750,000	0
National Guard Future Construction Investment	0	0	500,000	0
Camp Dodge Armed Forces Readiness Center Addition/	0	0	100,000	100,000
Armory Maintenance	1,269,636	0	1,500,000	0
Boone Armory	1,096,000	0	0	0
DPD-Ft.Dodge Readiness Center	750,000	0	0	0
DPD-Iowa City Readiness Center	2,150,000	0	1,444,288	0
Public Defense Technology Project - RIIF	0	0	0	75,000
Public Safety Capital				
DPS-AFIS Lease Purchase	550,000	550,000	550,000	550,000
DPS-NCIC Control Terminal Matc	500,000	0	0	0
DPS-Fire Service Training Bureau - Training Center	150,000	800,000	12,000,000	0
DPS Mason City Post 8	0	0	2,400,000	0
DPS Technology Projects - RIIF	0	0	0	943,000

Major Fund Appropriation Report (Continued)

Fund				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Regents Capital				
UNI Playground Safety	500,000	500,000	0	0
School of the Deaf/IBSSS Maintenance	500,000	500,000	0	0
Fire Safety and Deferred Maint All Instituit - RILF	0	6,250,000	25,000,000	0
Education Capital				
Parker Building Remodel	303,632	0	0	0
Community College Infrastructure	0	2,000,000	2,000,000	2,000,000
Enrich Iowa	600,000	900,000	900,000	0
DTV Conversion	8,000,000	8,000,000	2,300,000	0
IPTV Capitals	0	2,000,000	1,740,000	315,000
Veterans Affairs Capitals				
Veterans Affairs Capitals Request	0	0	6,200,000	0
Veterans Affairs Major Maintenance	0	0	979,900	0
Veterans Trust Fund Deposit	1,000,000	0	0	0
Blind Capitals, Department for the				
Blind Orientation Center Remodeling	67,000	0	0	0
Blind Building Renovation FY07	0	0	4,000,000	0
Total Rebuild Iowa Infrastructure Fund	109,620,213	124,786,033	319,850,575	124,277,033
HealthCare Transformation Fund				
Human Services, Department of				
Medical Examinations-Expansion Population	0	136,500	556,800	556,800
Medical Information Hotline	0	150,000	150,000	150,000
Insurance Cost Subsidy	0	150,000	1,500,000	1,500,000
Health Care Premium Implementation	0	50,000	400,000	400,000
Electronic Medical Records	0	100,000	2,000,000	2,000,000
Health Partnership Activities	0	550,000	550,000	550,000
Audits, Performance Evaluations, Studies	0	100,000	100,000	100,000
IowaCare Administrative Costs	0	910,000	344,852	344,852
Acuity Based ICF-MR Case Mix	0	0	150,000	150,000
Provider Incentive Payment Program	0	0	50,000	50,000
Health Transformation Care Transfer	0	0	1,000,000	0
Total HealthCare Transformation Fund	0	2,146,500	6,801,652	5,801,652
IowaCare Fund				
Human Services, Department of				
UI Hospital	0	27,284,584	27,284,584	27,284,584
Broadlawns Hospital	0	40,000,000	37,000,000	37,000,000
State Hospital-Cherokee	0	9,098,425	9,098,425	9,098,425

Major Fund Appropriation Report (Continued)

Fund				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
State Hospital-Clarinda	0	1,977,305	1,977,305	1,977,305
State Hospital-Independence	0	9,045,894	9,045,894	9,045,894
State Hospital-Mt Pleasant	0	5,752,587	5,752,587	5,752,587
Total IowaCare Fund	0	93,158,795	90,158,795	90,158,795
Federal Economic Stimulus and Jobs Holding Fund				
Economic Development, Department of				
Marketing Programs	6,782,949	0	0	0
DED Programs	61,745,652	0	0	0
Targeted State Parks	475,806	0	0	0
Loan/Credit Guarantee	5,728,402	0	0	0
University/College Programs	10,058,162	0	0	0
Workforce Training-Community Colleges	3,848,668	0	0	0
Workforce Training-Community Colleges/Job Retention	1,000,000	0	0	0
Endow Iowa Grants	155,303	0	0	0
Endow Iowa Grants-General Fund	155,303	0	0	0
Cash Reserve Fund	10,749,754	0	0	0
Bioscience Alliance Fed Stimulus	0	0	0	2,800,000
Economic Development Capitals				
Novel Protein Facility FY07	0	0	0	1,000,000
Total Federal Economic Stimulus and Jobs Holding Fund	100,699,999	0	0	3,800,000
Endowment for Iowa's Health Restricted Capitals Fund				
Corrections Capital				
DOC Davenport CBC Facility - RC2	0	0	0	3,750,000
DOC Fort Dodge CBC Facility - RC2	0	0	0	1,400,000
DOC Anamosa Dietary Renovation - RC2	0	0	0	1,840,000
Cultural Affairs Capital				
Great Places Capitals	0	0	0	1,000,000
State Fair Authority Capital				
State Fair Capitals FY 07	0	0	0	1,000,000
General Services Capital				
Capitol Interior	0	0	0	6,830,000
DHS - Toledo Renovation	0	0	0	1,521,045
Repairs to Parking Lots and Sidewalks	0	0	0	1,545,000
Wallace Building	0	0	0	500,000
West Capitol Terrace Restoration/Removal Parking L	0	0	0	2,300,000

Major Fund Appropriation Report (Continued)

Fund				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Woodward Resource Center	0	0	0	2,443,000
Wastewater Treatment Plan				
GSE-Records Center Remodel	0	0	0	2,200,000
Ft. Madison Planning	0	0	0	500,000
Natural Resources Capital				
Parks Infrastructure Improvements	0	0	0	1,000,000
Public Defense Capital				
DPD-Iowa City Readiness Center (RestrCap2)	0	0	0	1,444,288
Waterloo Aviation Readiness Center/Addition/Alter	0	0	0	1,635,000
Spencer Armory Addition/Alteration (RestrCap2)	0	0	0	689,000
Camp Dodge Water Treatment Facility Upgrade (Restr	0	0	0	750,000
Public Safety Capital				
DPS - ISP Mason City Post - RC2	0	0	0	2,400,000
Regents Capital				
Fire Safety and Deferred Maint All Institut - FY 0	0	0	0	10,000,000
Education Capital				
IPTV Capitals	0	0	0	1,425,000
Veterans Affairs Capitals				
Veterans Affairs Capitals-Restricted Fund	0	0	0	6,200,000
Blind Capitals, Department for the				
Blind Building Renovation FY07	0	0	0	4,000,000
Total Endowment for Iowa's Health Restricted Capitals Fu	0	0	0	56,372,333
Total Major Fund Appropriation	210,382,529	220,153,645	417,038,339	280,472,130

All Other Funds Appropriation by Function

Function				
Appropriation Type	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Administration and Regulation				
Regular	119,634,621	254,849,897	296,214,799	298,333,322
Standing Limited	34,610,183	0	0	0
Standing Unlimited	125,053,781	0	0	0
Capital	36,060,000	57,764,719	60,702,566	70,059,170
Total Administration and Regulation	315,358,585	312,614,616	356,917,365	368,392,492

All Other Funds Appropriation by Function (Continued)

Function			FY 2007	
	FY 2005	FY 2006	Total	FY 2007
Appropriation Type	Actuals	Current Year Budget Estimate	Department Request	Total Governor's Recommended
Agriculture and Natural Resources				
Regular	36,682,114	38,038,873	38,383,873	38,383,873
Capital	13,950,000	13,950,000	23,900,000	13,950,000
Total Agriculture and Natural Resources	50,632,114	51,988,873	62,283,873	52,333,873
Economic Development				
Regular	171,605,999	21,387,655	13,971,000	19,771,000
Standing Limited	0	52,100,000	57,765,000	55,700,000
Total Economic Development	171,605,999	73,487,655	71,736,000	75,471,000
Education				
Regular	15,447,424	15,940,231	4,938,250	24,880,250
Capital	858,764	0	0	9,680,321
Total Education	16,306,188	15,940,231	4,938,250	34,560,571
Human Services				
Regular	271,573,035	277,070,622	246,901,653	377,153,541
Total Human Services	271,573,035	277,070,622	246,901,653	377,153,541
Justice System				
Regular	3,817,285	3,691,285	3,588,285	3,291,285
Capital	0	0	0	500,000
Total Justice System	3,817,285	3,691,285	3,588,285	3,791,285
Transportation				
Regular	285,325,054	291,597,788	300,825,675	300,825,675
Standing Limited	875,000	875,000	875,000	875,000
Capital	2,981,400	4,650,751	5,050,000	3,550,000
Total Transportation	289,181,454	297,123,539	306,750,675	305,250,675
Capital				
Regular	26,202,117	24,201,000	29,186,500	12,471,304
Capital	72,273,536	93,210,282	250,518,069	109,963,820
Total Capital	98,475,653	117,411,282	279,704,569	122,435,124
Total All Other Funds Appropriation	1,216,950,313	1,149,328,103	1,332,820,670	1,339,388,561

All Other Funds Appropriation Detail by Function

Function			FY 2007	
Special Department	FY 2005	FY 2006	Total	FY 2007
Appropriation	Actuals	Current Year Budget Estimate	Department Request	Total Governor's Recommended
Administration and Regulation				
Administrative Services, Department of				
Pooled Technology 0017	1,861,496	3,802,000	5,516,940	3,884,940
Enterprise Resource Planning-I/3	6,049,284	0	0	0
Primary Road Approp.	491,752	0	0	0
Road Use Tax Approp.	84,951	0	0	0
Ready To Work Program	89,416	0	0	0

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Total Administrative Services, Department of Appropriations	8,576,899	3,802,000	5,516,940	3,884,940
Commerce, Department of				
Reinsurance	0	0	0	30,000,000
Real Estate Trust Account Audit	62,317	62,317	62,317	62,317
Total Commerce, Department of Appropriations	62,317	62,317	62,317	30,062,317
Iowa Telecommunications & Technology Commission				
ICN Equipment Replacement	0	1,704,719	1,997,500	1,997,500
Total Iowa Telecommunications & Technology Commission Appropriations	0	1,704,719	1,997,500	1,997,500
Human Rights, Department of				
Infrastructure for Integrating Justice Data Systems	0	0	0	2,645,066
Infrastructure for Integrating Justice Data Systems	0	0	2,645,066	0
Total Human Rights, Department of Appropriations	0	0	2,645,066	2,645,066
Inspections & Appeals, Department of				
DIA - Use Tax	1,424,042	1,482,436	1,482,436	1,482,436
DIA-Asst Living/Adult Day Care	800,000	758,474	1,000,724	825,724
Total Inspections & Appeals, Department of Appropriations	2,224,042	2,240,910	2,483,160	2,308,160
Management, Department of				
Environment 1st Appropriation	35,000,000	35,000,000	35,000,000	35,000,000
Vertical Infrastructure Fund	0	15,000,000	15,000,000	15,000,000
Primary Road Salary Adjustment	715,438	2,765,937	0	12,000,000
Road Use Tax Salary Adjustment	1,542,010	386,895	0	3,000,000
DOM RUT Appropriation	56,000	56,000	56,000	56,000
FY 04 State Appeal Board Claims	2,096	6,735	0	0
Total Management, Department of Appropriations	37,315,544	53,215,567	50,056,000	65,056,000
Personnel, Department of				
Primary Road Approp.	491,752	0	0	0
Road Use Tax Approp.	84,951	0	0	0
Ready To Work Program	89,416	0	0	0
Total Personnel, Department of Appropriations	666,119	0	0	0
IPERS Administration				
IPERS Administration	9,158,475	10,815,084	16,756,131	16,756,131
Total IPERS Administration Appropriations	9,158,475	10,815,084	16,756,131	16,756,131

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Revenue, Department of				
Motor Veh Fuel Tx-Admin Approp	1,215,068	1,252,669	1,258,042	1,258,042
Homestead Property Tax Credit	102,945,379	0	0	0
AG Land/Family Farm Tax Credit	34,610,183	0	0	0
Military Service Tax Credit	2,568,402	0	0	0
Elderly & Disabled Tax Credit	19,540,000	0	0	0
SAVE Appropriation	10,000,000	10,000,000	10,000,000	10,000,000
Homestead Propert Tax Credit - PTCF	0	102,945,379	131,800,000	99,662,704
Agricultural Land and Family Farm Tax Credits - PTCF	0	34,610,183	39,100,000	34,610,183
Military Service Tax Credit - PTCF	0	2,568,402	2,469,000	2,568,402
Elderly and Disabled Tax Credit and Reimbursement - PTCF	0	19,540,000	22,822,675	22,822,675
Total Revenue, Department of Appropriations	170,879,032	170,916,633	207,449,717	170,922,006
Iowa Lottery Authority				
Lottery Operations	10,116,863	0	0	0
Total Iowa Lottery Authority Appropriations	10,116,863	0	0	0
Treasurer of State				
Prison Infrastructure Bonds-RIIF	0	0	0	5,416,604
Healthy Iowans Tobacco Trust	57,512,311	58,374,996	58,374,996	59,250,620
ICN Debt Service-Tobacco Settl	13,039,778	0	0	0
County Fairs Improvements	0	1,060,000	1,060,000	0
Prison Infrastructure Bonds	5,413,324	5,422,390	5,422,390	0
County Fair Improvements	1,060,000	0	0	0
FY 04 State Appeal Board Claims	2,096	6,735	0	0
Watershed Improvement	0	5,000,000	5,000,000	0
Funds for I3 Expenses - Road Use Tax	0	0	93,148	93,148
Watershed Protection-Water Quality	0	0	0	10,000,000
Total Treasurer of State Appropriations	77,027,509	69,864,121	69,950,534	74,760,372
Agriculture and Natural Resources				
Agriculture and Land Stewardship				
Southern Iowa Conservation Authority	300,000	300,000	300,000	300,000
Agricultural Drainage Wells	500,000	500,000	2,500,000	500,000
Watershed Protection Fund	2,700,000	2,700,000	5,400,000	2,700,000
Farm Management Demonstration	850,000	850,000	1,600,000	850,000
Cost Share	5,500,000	5,500,000	8,500,000	5,500,000
Conservation Reserve Program	2,000,000	2,000,000	2,000,000	2,000,000
Conservation Reserve Enhance	1,500,000	1,500,000	3,000,000	1,500,000
Native Horse and Dog Program	305,516	305,516	305,516	305,516
Open Feedlots Research Project	0	100,000	100,000	100,000
Loess Hills Dev/Cons Auth FY02	600,000	600,000	600,000	600,000
Total Agriculture and Land Stewardship Appropriations	14,255,516	14,355,516	24,305,516	14,355,516

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Natural Resources, Department of				
GWF-Storage Tanks Study-DNR	100,303	100,303	100,303	100,303
GWF-Household Hazardous Waste-DNR	447,324	447,324	447,324	447,324
GWF-Well Testing Admin 2%-DNR	62,461	62,461	62,461	62,461
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	1,686,751	1,686,751
GWF-Landfill Alternatives-DNR	618,993	618,993	618,993	618,993
GWF-Waste Reduction and Assistance	192,500	192,500	192,500	192,500
GWF-Solid Waste Authorization	50,000	50,000	50,000	50,000
GWF-Geographic Information System	297,500	297,500	297,500	297,500
F&G-DNR Admin Expenses	31,220,766	32,477,525	34,322,525	34,322,525
Boat Registration Fees	1,400,000	1,400,000	0	0
Snowmobile Registration Fees	100,000	100,000	0	0
UST Administration Match	200,000	200,000	200,000	200,000
Total Natural Resources, Department of Appropriations	36,376,598	37,633,357	37,978,357	37,978,357
Economic Development				
Economic Development, Department of				
VIF- ACE Infrastructure	0	4,000,000	4,000,000	0
GI Marketing Program	4,659,075	0	0	0
GI DED Programs	25,469,751	0	0	0
GI University/College Programs	4,348,470	0	0	0
GI Loan/Credit Guarantee	3,106,050	0	0	0
GI Endowment Iowa Tax Credits	155,302	0	0	0
GI Endowment Iowa Grants	155,302	0	0	0
GI Workforce Training	3,106,050	0	0	0
Marketing Programs	6,782,949	0	0	0
DED Programs	61,745,652	0	0	0
Targeted State Parks	475,806	0	0	0
Loan/Credit Guarantee	5,728,402	0	0	0
University/College Programs	10,058,162	0	0	0
Workforce Training-Community Colleges	3,848,668	0	0	0
Workforce Training-Community Colleges/Job Retention	1,000,000	0	0	0
Endow Iowa Grants	155,303	0	0	0
Endow Iowa Grants-General Fund	155,303	0	0	0
Cash Reserve Fund	10,749,754	0	0	0
DED Programs-GIVF	0	35,000,000	35,000,000	35,000,000
Regents Institutions-GIVF	0	5,000,000	5,000,000	5,000,000
State Parks-GIVF	0	1,000,000	1,000,000	1,000,000
Cultural Trust Fund-GIVF	0	1,000,000	1,000,000	1,000,000
Workforce Training and Economic development Funds-GIVF	0	7,000,000	7,000,000	7,000,000
Regional Financial Assistance-GIVF	0	1,000,000	1,000,000	1,000,000
Workforce Development Appr	4,000,000	4,000,000	4,000,000	4,000,000
Env DED Brownfields	500,000	500,000	500,000	500,000
RIIF ACE Infrastructure	5,500,000	0	0	0

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
RIIF National Special Olympics	500,000	0	0	0
RIIF Cardiac/Recreational Center	200,000	0	0	0
RIIF Lewis/Clark Bicentennial	50,000	0	0	0
Community & Tourism Grant Appropriation	12,000,000	5,000,000	5,000,000	12,000,000
Federal Enterprise Zone Matching Funds.	0	500,000	0	0
Ferry Boat Study	0	60,000	0	0
Bioscience Alliance Fed Stimulus	0	0	0	2,800,000
Total Economic Development, Department of Appropriations	164,449,999	64,060,000	63,500,000	69,300,000
Iowa Finance Authority				
IFA water quality grants	0	0	0	5,000,000
SLT-Rent Subsidy Program	0	700,000	1,200,000	700,000
Transitional Housing-RIIF	0	1,400,000	1,400,000	0
Chapter 16 State Income Tax Exemption Bonds	0	0	165,000	0
SLT-Revolving Loan Programs	0	0	3,000,000	0
SLT-Home and Community Based Services	0	0	2,000,000	0
Total Iowa Finance Authority Appropriations	0	2,100,000	7,765,000	5,700,000
Iowa Workforce Development				
P & I Immigration Service Centers	160,000	0	0	0
ACS-Job Service Administration Fund	6,525,000	6,856,655	0	0
P & I Workers' Comp. Division	471,000	471,000	471,000	471,000
Total Iowa Workforce Development Appropriations	7,156,000	7,327,655	471,000	471,000
Education				
Blind, Iowa Commission for the				
Audio Information Service for Blind- TOB	130,000	130,000	0	0
Older Blind Iowans-SLT	0	0	58,000	0
Total Blind, Iowa Commission for the Appropriations	130,000	130,000	58,000	0
Education, Department of				
Empowerment	2,153,250	2,153,250	2,153,250	2,153,250
ICN Part III Leases & Maintenance Network	2,727,000	2,727,000	2,727,000	2,727,000
Iowa Learning Technologies	0	500,000	0	0
Total Education, Department of Appropriations	4,880,250	5,380,250	4,880,250	4,880,250
Regents, Board of				
Tuition Replacement - Tobacco	10,437,174	10,329,981	0	0
Tuition Replacement - RIIF	858,764	0	0	9,680,321
ISU feedlot techn/water quality study	0	100,000	0	0

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Biosciences (RIIF)	0	0	0	10,000,000
Biosciences (Endowment)	0	0	0	10,000,000
Total Regents, Board of Appropriations	11,295,938	10,429,981	0	29,680,321
Human Services				
Elder Affairs, Department of				
Senior Living Trust	8,222,118	8,296,730	12,920,210	8,357,253
Total Elder Affairs, Department of Appropriations	8,222,118	8,296,730	12,920,210	8,357,253
Public Health, Department of				
Addiction Free Iowa (Tob)	0	0	27,078,162	17,686,565
Healthy Children and Families (Tob)	0	0	559,000	0
Health Promotion and Chronic Disease Mgmt (Tob)	0	0	361,000	361,000
Improving Access and Delivery (Tob)	0	0	1,657,482	1,157,482
Healthy Environment (Tob)	0	0	365,158	365,158
Health Protection and Regulation (Tob)	0	0	2,396,878	1,337,320
SA/Tobacco Prevention for Kids	0	400,000	0	0
Substance Abuse Prevention for Kids	0	200,000	0	0
PKU Assistance (Tobacco Fund)	0	60,000	0	0
Smoking Cessation Products	75,000	75,000	0	0
Automatic External Defibrillator Grant	250,000	250,000	0	0
Iowa Stillbirth Evaluation Project	26,000	26,000	0	0
State Capitol Complex Defibrillation	0	100,000	0	0
AIDS Drug Assistance Program (ADAP)	0	275,000	0	0
Sub. Abuse Prevention/Mentoring	0	200,000	0	0
Substance Abuse Treatment (Tobacco Fund)	11,800,000	11,800,000	0	0
Healthy Iowans 2010 (Tobacco Fund)	2,346,960	2,509,960	0	0
Tobacco Use Prevention/Control	5,011,565	5,011,565	0	0
Gambling Treatment Program	4,210,810	4,310,000	4,310,000	4,310,000
Substance Abuse Treatment (Gambling Fund)	1,690,000	1,690,000	1,690,000	1,690,000
Emergency Medical Services (Gambling Fund)	0	0	0	180,000
Total Public Health, Department of Appropriations	25,410,335	26,907,525	38,417,680	27,087,525
Human Services, Department of				
UI Hospital	0	27,284,584	27,284,584	27,284,584
Broadlawns Hospital	0	40,000,000	37,000,000	37,000,000
State Hospital-Cherokee	0	9,098,425	9,098,425	9,098,425
State Hospital-Clarinda	0	1,977,305	1,977,305	1,977,305
State Hospital-Independence	0	9,045,894	9,045,894	9,045,894
State Hospital-Mt Pleasant	0	5,752,587	5,752,587	5,752,587

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Medical Examinations-Expansion Population	0	136,500	556,800	556,800
Medical Information Hotline	0	150,000	150,000	150,000
Insurance Cost Subsidy	0	150,000	1,500,000	1,500,000
Health Care Premium Implementation	0	50,000	400,000	400,000
Electronic Medical Records	0	100,000	2,000,000	2,000,000
Health Partnership Activities	0	550,000	550,000	550,000
Audits, Performance Evaluations, Studies	0	100,000	100,000	100,000
IowaCare Administrative Costs	0	910,000	344,852	344,852
Acuity Based ICF-MR Case Mix	0	0	150,000	150,000
Provider Incentive Payment Program	0	0	50,000	50,000
Health Transformation Care Transfer	0	0	1,000,000	0
Medical Contracts Supplement	665,000	85,000	0	85,000
MH Costs for Children under 18	6,600,000	6,600,000	6,600,000	6,600,000
HITT-Senior Living Trust	0	0	0	73,400,000
HITT-Child and Family Services	0	4,257,623	4,257,623	3,761,677
Breast and Cervical Cancer Treatment	250,000	0	0	0
SLT Medical Supplemental	101,600,000	69,000,490	21,340,000	75,000,000
General Administration-HITT	274,000	274,000	274,000	274,000
HITT-Medical Assistance Combined	14,346,750	35,013,803	35,013,803	55,327,368
LTC Provider Rate/Meth Changes	29,950,000	29,950,000	29,950,000	29,950,000
NF Conversion Grants	20,000,000	0	0	0
SLT Medical Supplemental, Alternative Service, Adm	1,733,406	1,033,406	821,140	821,140
POS Provider Increase	146,750	146,750	146,750	146,750
CHIP Expansion to 200% of FPL	200,000	200,000	200,000	200,000
Physician et al Provider Inc	8,095,718	0	0	0
Dental Provider Increase	3,814,973	0	0	0
RTSS Provider Increase	3,243,026	0	0	0
Adoption, IL, SC, HS Prov Inc	468,967	0	0	0
Hospital Provider Increase	3,035,278	0	0	0
Home Health Care Provider Inc.	2,108,279	0	0	0
Critical Access Hospitals	250,000	0	0	0
Home Health & Habitat Day Care Exp.	1,975,496	0	0	0
Respite Care Expansion	1,137,309	0	0	0
Other Service Providers Inc.	545,630	0	0	182,381
Hospital Trust Medical Supp.	37,500,000	0	0	0
Total Human Services, Department of Appropriations	237,940,582	241,866,367	195,563,763	341,708,763
Justice System				
Corrections, Department of				
CBC District I - Tobacco	0	100,000	100,000	100,000
CBC District II - Tobacco	127,217	396,217	396,217	396,217
CBC District III - Tobacco	35,359	200,359	200,359	200,359

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
CBC District IV - Tobacco	191,731	291,731	291,731	291,731
CBC District V - Tobacco	255,693	355,693	355,693	355,693
CBC District VI - Tobacco	0	100,000	100,000	100,000
CBC District VII - Tobacco	0	100,000	100,000	100,000
CBC District VIII - Tobacco	0	100,000	100,000	100,000
DOC ICON - RIIF	0	0	0	500,000
Ft. Madison SNU - Tobacco	1,187,285	1,187,285	1,187,285	1,497,285
Newton Value Based Treatment	370,000	310,000	0	0
Total Corrections, Department of Appropriations	2,167,285	3,141,285	2,831,285	3,641,285
Law Enforcement Academy				
ILEA - RIIF Funds	0	0	507,000	75,000
Total Law Enforcement Academy Appropriations	0	0	507,000	75,000
Parole, Board of				
Parole Board - RIIF	0	0	250,000	75,000
Total Parole, Board of Appropriations	0	0	250,000	75,000
Public Safety, Department of				
DPS Capitol Security-RIIF Fd	800,000	0	0	0
Fire Marshal School Infrastruc	50,000	50,000	0	0
DPS-Local Fire Revolving Prog	500,000	500,000	0	0
DPS Capitol Complex Upgrades	300,000	0	0	0
Total Public Safety, Department of Appropriations	1,650,000	550,000	0	0
Transportation				
Transportation, Department of				
Garage Fuel & Waste Management	800,000	800,000	800,000	800,000
Commercial Air Service Airports	1,100,000	0	0	1,000,000
General Aviation Airports	581,400	750,000	750,000	750,000
Aviation Improvements	500,000	564,792	0	0
Recreational Trails	0	1,000,000	2,000,000	1,000,000
Rail Assistance Program	0	35,959	0	0
Commercial Air Service Airports	0	1,500,000	1,500,000	0
Personal Delivery of Services DOT	225,000	225,000	225,000	225,000
County Treasurer Equipment Standing	650,000	650,000	650,000	650,000
Field Facility Deferred Maint.	351,500	351,500	351,500	351,500
Transportation Maps	275,000	275,000	235,000	235,000
PRF-Operations	33,886,242	34,081,559	34,412,659	34,412,659
PRF-Administrative Services	3,591,903	3,473,167	3,400,067	3,400,067
PRF-Planning & Program	8,980,115	8,978,251	8,901,251	8,901,251
PRF-Maintenance	189,914,084	194,812,346	198,956,346	198,956,346
PRF-Motor Vehicle	1,318,248	1,283,891	1,283,891	1,283,891
Personnel Reimbursement	712,500	0	0	0
PRF-DOT Unemployment	328,000	328,000	328,000	328,000
PRF-DOT Worker'S Compensation	2,268,000	2,738,000	3,011,520	3,011,520

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Indirect Cost Recoveries	748,000	748,000	748,000	748,000
PRF-Inventory & Equipment Replacement	0	0	2,250,000	2,250,000
PRF - DAS	0	863,497	860,000	860,000
Auditor Reimbursement	336,036	338,840	346,580	346,580
RUTF-Operations	5,464,582	5,548,160	5,602,060	5,602,060
RUTF-Administrative Services	581,794	560,122	548,222	548,222
RUTF-Planning & Programs	472,637	470,476	470,476	470,476
RUTF-Motor Vehicle	31,684,599	32,040,203	32,155,203	32,155,203
RUTF-IDOP Reimbursement	37,500	0	0	0
RUTF-Unemployment Compensation	17,000	17,000	17,000	17,000
RUTF-Workers' Compensation	95,000	114,000	125,480	125,480
Drivers' Licenses	2,820,000	2,820,000	2,820,000	2,820,000
Mississippi River Parkway Comm	40,000	40,000	40,000	40,000
Indirect Cost Recoveries	102,000	102,000	102,000	102,000
Auditor Reimbursement	54,314	55,160	56,420	56,420
County Treasurers Support	1,096,000	1,268,000	2,064,000	2,064,000
RUTF - DAS	0	140,616	140,000	140,000
I-35 Corridor Coalition	50,000	50,000	0	0
Road/Weather Conditions Info	100,000	100,000	100,000	100,000
DOT - IRP/IFTA	0	0	1,000,000	1,000,000
DOT - Data Warehouse - Vehicle	0	0	500,000	500,000
Total Transportation, Department of Appropriations	289,181,454	297,123,539	306,750,675	305,250,675
Capital				
Corrections Capital				
Oakdale 170 Bed	11,700,000	11,700,000	0	0
ISP Electrical Lease	333,168	333,168	333,168	333,168
DOC-Davenport CBC Facility	3,000,000	3,750,000	3,750,000	0
Fort Dodge CBC Residential Facility - RIIF	0	50,000	1,400,000	0
DOC Major Maintenance Request	0	0	35,657,000	0
DOC/Parole Board - Jesse Parker Bldg Rent - RIIF	0	105,300	210,600	0
Anamosa Dietary - RIIF	0	940,000	1,840,000	0
Anamosa Kitchen - 0198 Tobacco	0	600,000	0	0
Training Center/CBC VII Rent	0	122,000	122,000	0
DOC Oakdale One Times - RIIF	0	0	0	332,000
DOC Oakdale One Times - RC1	0	0	0	3,044,519
DOC Davenport CBC Facility - RC2	0	0	0	3,750,000
DOC Fort Dodge CBC Facility - RC2	0	0	0	1,400,000
DOC Anamosa Dietary Renovation - RC2	0	0	0	1,840,000
Total Corrections Capital Appropriations	15,033,168	17,600,468	43,312,768	10,699,687
Cultural Affairs Capital				
Battle Flags	100,000	220,000	220,000	220,000
Historic Site Preservation Grants	500,000	0	0	0

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Historic Preservation	0	500,000	800,000	0
Great Places Capitals	0	0	0	1,000,000
Historic Preservation	0	0	0	800,000
Total Cultural Affairs Capital Appropriations	600,000	720,000	1,020,000	2,020,000
Economic Development Capitals				
Novel Protein Facility FY07	0	0	0	1,000,000
Novel Protein Facility	0	0	0	(3,268,696)
Tobacco DED ACE Infrastructure	0	1,500,000	1,500,000	4,000,000
Total Economic Development Capitals Appropriations	0	1,500,000	1,500,000	1,731,304
State Fair Authority Capital				
State Fair Capitals FY 05	250,000	0	0	0
State Fair Capitals FY 06	0	750,000	0	0
State Fair Capitals FY 07	0	0	0	1,000,000
Total State Fair Authority Capital Appropriations	250,000	750,000	0	1,000,000
General Services Capital				
Complex Utility Tunnel	0	0	26,546,000	0
Repairs to Parking Lots and Sidewalks	0	0	1,545,000	0
Site Implementation Planning Services for CC	0	0	100,000	0
West Capitol Terrace Restoration/Removal Parking Lot 8	0	0	2,300,000	0
Replace Court Ave Bridge	0	0	5,665,000	0
DGS-Cap.Inter.Rest 03	0	4,500,000	0	0
East Parking Lot Restoration	0	0	3,410,000	0
Capitol Interior	0	0	16,390,000	0
Wallace Building	0	625,000	500,000	0
Capitol Complex Electrical Distribution System Upgrade	0	1,843,878	7,202,600	0
GSE-Records Center Remodel	5,000,000	4,700,000	2,200,000	0
VIF - Major Maintenance	0	5,623,200	10,000,000	10,000,000
VIF - Terrace Hill Maintenance	0	0	75,000	75,000
DHS-CCUSO Renovation	0	1,400,000	0	0
DHS - Toledo Renovation	0	1,161,045	1,521,045	0
Terrace Hill Maintenance	0	571,000	0	0
DGS-Major Renovation	0	3,000,000	0	0
DHS-CCUSO Rest Cap	0	650,000	0	0
Planning for the Renovation of Grimes State Office Building	0	0	750,000	0
Restoration of Capitol Complex Carriage House	0	0	4,950,000	0
Renovation of 1000 E. Grand for Asbestos Abatement	0	0	15,000,000	0
Woodward Resource Center Wastewater Treatment Plant	0	0	2,443,000	0
DHS Iowa Juvenile School Home New Education & Infirmary Buil	0	0	8,130,668	0

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
DGS-Leases/Assistance	0	0	0	1,824,500
DGS-Land Acquisition/Improvement	0	0	1,150,000	0
Capitol Interior	0	0	0	6,830,000
DHS - Toledo Renovation	0	0	0	1,521,045
Repairs to Parking Lots and Sidewalks	0	0	0	1,545,000
DGS-Routine Maintenance	0	0	0	2,800,500
Wallace Building	0	0	0	500,000
West Capitol Terrace Restoration/ Removal Parking Lot 8	0	0	0	2,300,000
Woodward Resource Center Wastewater Treatment Plant	0	0	0	2,443,000
GSE-Records Center Remodel	0	0	0	2,200,000
Ft. Madison Planning	0	0	0	500,000
Capitol Complex Electrical Distribution System Upgrade	0	0	0	3,468,800
DGS-Capitol Inter. Rest.	3,500,000	0	0	0
DGS-Leases/Assistance	2,271,617	1,824,000	1,824,500	0
DGS-Routine Maintenance	2,000,000	2,000,000	20,000,000	0
DGS-Lab Facility Routine Maint.	355,500	0	0	0
Statewide Major Renovation & Repair	4,300,000	0	0	0
Monument Lighting	35,000	0	0	0
Statewide Major Maintenance	0	291,891	0	0
Total General Services Capital Appropriations	17,462,117	28,190,014	131,702,813	36,007,845
Human Services Capital				
Health/Safety/Loss	0	0	100,000	0
Maintenance	0	0	66,800	0
Residential Treatment Center Facility	0	250,000	0	0
Family Resource Center Facility	0	250,000	0	0
Total Human Services Capital Appropriations	0	500,000	166,800	0
Natural Resources Capital				
GIS Information for Watershed	195,000	195,000	195,000	195,000
Water Quality Monitoring	2,955,000	2,955,000	3,755,000	2,955,000
Volunteers and Keepers of Land	100,000	100,000	100,000	100,000
Lake Cornelia	0	429,000	0	0
Waubonsie State Park	0	1,500,000	0	0
Fort Atkinson Restoration	0	500,000	0	0
Mid-America Port Commission	0	80,000	0	0
Air Quality Monitoring	0	275,000	0	0
IA's Special Areas	0	0	1,500,000	1,500,000
DNR-Destination Park	0	(3,000,000)	0	0
State Park Infrastructure Renovations	0	0	2,500,000	0
LiDAR	0	0	1,500,000	0
Renewable Energy from Waste	0	0	1,500,000	0

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Regional Office Construction	0	0	2,500,000	0
Air Quality Livestock Monitoring	500,000	0	275,000	0
Water Quality Protection	500,000	500,000	500,000	500,000
Lake Dredging	1,000,000	1,500,000	2,000,000	500,000
Marine Fuel Tax Projects	2,300,000	2,300,000	2,700,000	2,500,000
REAP	11,000,000	11,000,000	12,000,000	11,800,000
DESTINATION PARK-DNR	500,000	3,000,000	0	0
DNR-Lewis & Clark Ruarl Water	2,450,000	2,500,000	0	0
Park Operations & Maintenance	2,000,000	2,000,000	2,000,000	2,000,000
Parks Infrastructure Improvements	0	0	0	1,000,000
Lakes Restoration & Preservation- Water Quality	0	0	0	5,000,000
F&G-Capitals	7,640,000	7,000,000	0	0
Total Natural Resources Capital Appropriations	31,140,000	32,834,000	33,025,000	28,050,000
Public Defense Capital				
Waterloo Aviation Readiness Center/Addition/Alteration	0	0	1,635,000	0
Spencer Armory Addition/Alteration	0	0	689,000	0
Ottumwa Armory Addition/Alteration	0	0	689,000	0
Camp Dodge Water Treatment Facility Upgrade	0	0	750,000	0
National Guard Future Construction Investment	0	0	500,000	0
Camp Dodge Armed Forces Readiness Center Addition/ Alteration	0	0	100,000	100,000
Armory Maintenance (VIF)	0	0	0	300,000
Armory Maintenance (RestrCap1)	0	0	0	1,200,000
DPD-Iowa City Readiness Center (RestrCap2)	0	0	0	1,444,288
Waterloo Aviation Readiness Center/Addition/Alteration (RC2)	0	0	0	1,635,000
Spencer Armory Addition/Alteration (RestrCap2)	0	0	0	689,000
Camp Dodge Water Treatment Facility Upgrade (RestrCap2)	0	0	0	750,000
DPD-Fort Dodge Readiness Center VIFund	0	608,000	0	0
DPD-Facility Maintenance. VIFund.	0	1,269,000	0	0
DPD-Camp Dodge Water Treatment VIFund.	0	1,939,800	0	0
Armory Maintenance	1,269,636	0	1,500,000	0
Boone Armory	1,096,000	0	0	0
DPD-Ft.Dodge Readiness Center	750,000	0	0	0
DPD-Iowa City Readiness Center	2,150,000	0	1,444,288	0
Public Defense Technology Project - RIIF	0	0	0	75,000
Total Public Defense Capital Appropriations	5,265,636	3,816,800	7,307,288	6,193,288

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Public Safety Capital				
DPS-AFIS Lease Purchase	550,000	550,000	550,000	550,000
DPS-NCIC Control Terminal Matc	500,000	0	0	0
DPS-Fire Service Training Bureau - Training Centers	150,000	800,000	12,000,000	0
DPS Mason City Post 8	0	0	2,400,000	0
Dubuque Regional Emergency Responder Training Facility	0	100,000	0	0
DPS Fire Service Training Bureau - Training Centers-RC1-0198	0	0	0	3,000,000
DPS Technology Projects - RIIF	0	0	0	943,000
DPS - ISP Mason City Post - RC2	0	0	0	2,400,000
Total Public Safety Capital Appropriations	1,200,000	1,450,000	14,950,000	6,893,000
Regents Capital				
SUI Journalism Building	3,575,000	0	0	0
ISU Undergraduate Classrooms	1,949,100	0	0	0
UNI Innovative Teaching Center	9,880,000	0	0	0
UNI Playground Safety	500,000	500,000	0	0
School of the Deaf/IBSSS Maintenance	500,000	500,000	0	0
Fire Safety and Deferred Maint All Institut - RIIF	0	6,250,000	25,000,000	0
Fire Safety and Deferred Maint All Institut - FY 07	0	0	0	10,000,000
Total Regents Capital Appropriations	16,404,100	7,250,000	25,000,000	10,000,000
Transportation Capitals				
DOT Capitals - FY 2005	650,000	0	0	0
DOT Capitals - Garage Roofing Projects	0	150,000	100,000	100,000
Motor Vehicle Division Building	0	9,350,000	0	0
DOT Capitals - Utility Improvements	0	150,000	400,000	400,000
DOT Capitals - Fairfield Garage	0	0	2,500,000	2,500,000
DOT Capitals - Heating, Cooling Exhaust System Improvements	0	250,000	100,000	100,000
DOT Capitals - ADA Improvements	0	0	200,000	200,000
DOT Capitals - Ames Complex Pave S. Parking Lot	0	0	200,000	200,000
DOT Capitals - Ames Complex Elevator Upgrade	0	0	100,000	100,000
Total Transportation Capitals Appropriations	650,000	9,900,000	3,600,000	3,600,000
Education Capital				
Parker Building Remodel	303,632	0	0	0
Community College Infrastructure	0	2,000,000	2,000,000	2,000,000
Enrich Iowa	600,000	900,000	900,000	0
DTV Conversion	8,000,000	8,000,000	2,300,000	0
IPTV Capitals	0	2,000,000	1,740,000	315,000
IPTV Capitals	0	0	0	1,425,000
IPTV Capitals	0	0	0	2,300,000

All Other Funds Appropriation Detail by Function (Continued)

Function				
Special Department				
Appropriation	FY 2005 Actuals	FY 2006 Current Year Budget Estimate	FY 2007 Total Department Request	FY 2007 Total Governor's Recommended
Total Education Capital Appropriations	8,903,632	12,900,000	6,940,000	6,040,000
Veterans Affairs Capitals				
Veterans Affairs Capitals Request	0	0	6,200,000	0
Veterans Affairs Major Maintenance	0	0	979,900	0
Veterans Affairs Capitals-Restricted Fund	0	0	0	6,200,000
Veterans Trust Fund Deposit	1,000,000	0	0	0
Iowa Veterans Cemetery	500,000	0	0	0
Total Veterans Affairs Capitals Appropriations	1,500,000	0	7,179,900	6,200,000
Blind Capitals, Department for the				
Blind Orientation Center Remodeling	67,000	0	0	0
Blind Building Renovation FY07	0	0	4,000,000	0
Blind Building Renovation FY07	0	0	0	4,000,000
Total Blind Capitals, Department for the Appropriations	67,000	0	4,000,000	4,000,000
Total All Other Funds Appropriation Detail by Function Appropriations	1,217,618,528	1,149,334,838	1,332,820,670	1,339,388,561