



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **SB 241** SLS 21RS 380
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 13, 2021	1:39 PM	Author: ABRAHAM
Dept./Agy.: Iowa Fire Protection District No. 1		Analyst: Marc Deshotels
Subject: Debt Limits		

LOCAL AGENCIES EG INCREASE LF EX See Note Page 1 of 1
 Increases debt limitation on assessed valuation of taxable property in Iowa Fire Protection District No. 1. (gov sig)

Purpose of Bill: This bill authorizes the governing authority of the Iowa Fire Protection District No. 1 to incur debt and issue bonds not to exceed 25% of the assessed valuation of taxable property in the District, subject to voter approval. Currently, the District's debt limit is 10% of assessed valuation. The District can use bond proceeds for such items as fire station and equipment purchases.

EXPENDITURES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

This bill may increase local fund expenditures by an indeterminable amount.

Based on information from an official with the Iowa Fire Protection District No. 1, this bill would increase the District's debt limit from approximately \$2 million to approximately \$5 million. The District plans to issue up to \$5 million in bonds with an interest rate up to 6% to replace certain buildings and equipment. This debt issuance is subject to voter approval. Therefore, district expenditures may increase due to bond issuance costs, interest/principal payments, and election costs. However, the exact amount of this increase is indeterminable at this time due to a lack of information on the exact amount of debt that will be issued, the exact interest rate that will be charged, and the timing and cost of the election.

REVENUE EXPLANATION

This bill does not impact governmental revenue as the bill only authorizes the Iowa Fire Protection District No. 1 to issue debt. The bill does not provide for any revenue increases or decreases.

Senate Dual Referral Rules

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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Michael G. Battle
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