



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

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

<b>Date:</b> May 12, 2021 11:27 AM	<b>Author:</b> ABRAHAM
<b>Dept./Agy.:</b> Iowa Fire Protection District No. 1	<b>Analyst:</b> Marc Deshotels
<b>Subject:</b> Debt Limits	

LOCAL AGENCIES OR 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	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

  

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	<b>\$0</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

**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}

*M. G. Battle*  
**Michael G. Battle**  
**Manager, Advisory Services**