

# 2021 Fiscal Policy and Management

County Services  
Directors of Field Operations

# Training Agenda – Session 1

- Review/interpretation of fiscal policy
- Tax code and district summaries
- Internal Controls
- Extension Tax Revenue
- Operating account and sub-funds
- Understanding your budget
- General interpretation, amending, carryover
- Q & A

# Section 2.3 of “your” Fiscal Policy



Public funds, as defined in Iowa Code Chapter 12C.1, are those funds owned by a public entity such as a county extension district. This includes both **tax and non-tax monies**.



All monies generated by users of the district entity are **owned** by the district, not the user, and are under the **control** of the local extension council.



[Fiscal Policy and Procedures](#)

# YOUR Fiscal Policy



All public funds are the **legal responsibility** of the extension council. Legal responsibility assigned by law cannot be transferred by extension council action.



What is meant by council action?



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# YOUR Fiscal Policy



All public funds have the same legal requirements for accounting, reporting, auditing, proper signatures, segregation of duties, publishing, bonding, investing and uniform financial accounting procedures.



[Fiscal Policy and Procedures](#)

# Iowa Code 176.8.2

To serve as an **agency of the state and to manage** and transact all of the business and affairs of its district and have control of all of the property acquired by it and necessary for the conduct of the business of the district for the purposes of this chapter.



# Internal Control

- 3.1.B Cash, check and/or credit card receipts received in the county extension district office should be recorded in a pre-numbered, duplicate copy receipt book.
- 3.1.E Deposited at a minimum of once a week.
- 3.1.G Council treasurer/designee shall monitor this internal control segregation of duties ... reviewing the log.



Fiscal Policy and Procedures

# Fiscal Policy Authorizations

- Pages 20-21: Represents the “cliff notes” of your policy.
- Sets limits and steps for credit card use, deposits, electronic funds transfers, obtaining bids, taking income by credit/debit, petty cash, use of an agency account.
- Review appendix ONE:
  - category funds 2.c.
  - expenditures 1.c.
  - authorization 1.g.



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# Extension Law Taxation Caps FY21 & 22

## The Double Caps

2010 Population & Category		Dollar Cap Increases Each Year by	Levy Rate	FY 2021	FY 2022
Less than 30,000	A	\$ 6,000	0.3000	\$ 255,000	\$ 261,000
30,000 to 49,999	B	\$ 7,000	0.2025	\$ 300,000	\$ 307,000
50,000 to 89,999	C	\$ 9,000	0.1350	\$ 382,500	\$ 391,500
90,000 to 199,999	D	\$ 15,000	0.1350	\$ 600,000	\$ 615,000
More than 200,000	E	\$ 25,000	0.0500	\$ 900,000	\$ 925,000

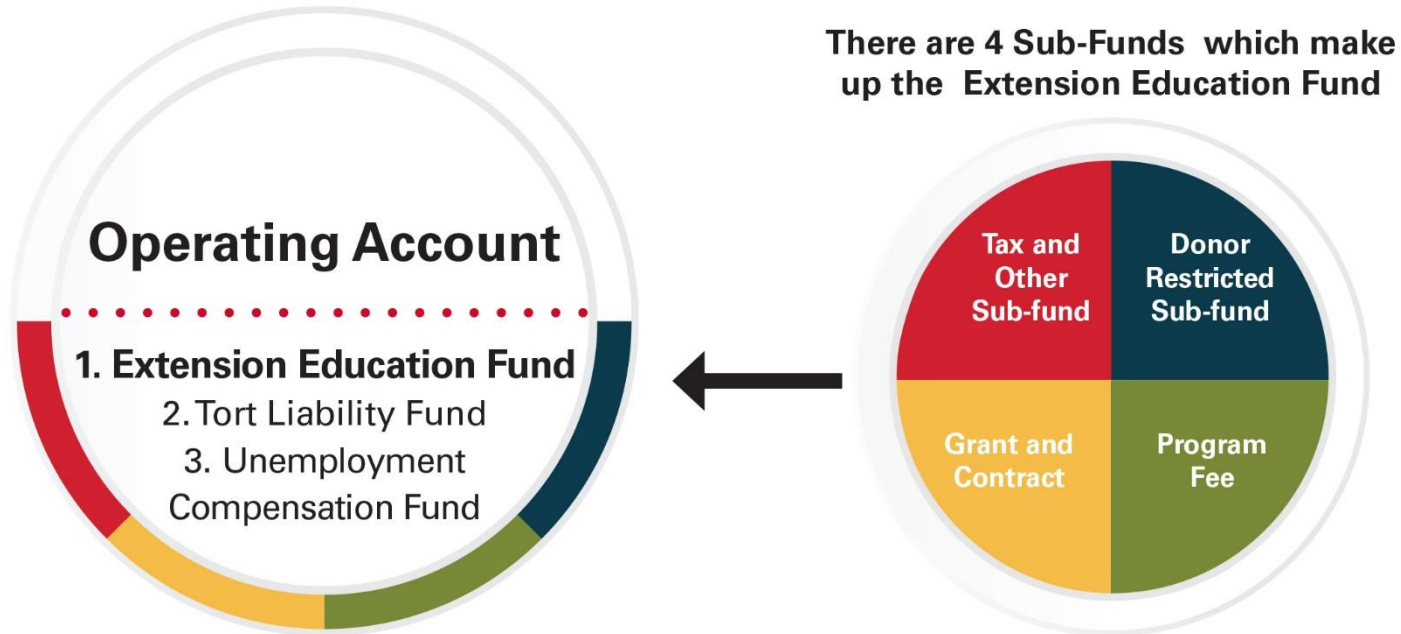
# Analysis FY20 Tax Revenue

- 53 districts currently have a single cap – \$ only
- 47 districts now have the “double cap” – both \$ and levy.
  - 77 districts are Class A (under 30,000 population) with 54 at their maximum (number is growing).
  - 58 districts levy for Tort funds to pay liability insurance.
  - **71 districts are levying at their maximum.**
- Almost all districts with these double cap challenges are in the “below 30,000 population bracket” with majority of counties below 11,000 in population.

# Timing of Tax Receipts

	Average	Range in %	Conservative Budgeting Suggests
July	0.6%	.3 to .8	don't plan on any
August	0.1%	0 to .7	don't plan on any
September	4.5%	.6 to 7.6	1%
<b>October</b>	<b>39.0%</b>	36.0 to 41.8	35%
November	6.2%	3.8 to 9.1	4%
December	2.2%	1.5 to 2.9	1%
January	0.7%	.6 to .9	1%
February	0.5%	.5 to .7	don't plan on any
March	2.4%	2.1 to 2.9	2%
<b>April</b>	<b>37.9%</b>	36.0 to 38.6	36%
May	5.0%	4.0 to 7.5	4%
June	0.8%	.7 to 1.0	balance

# Fund Accounting 101



Agency Account is completely separate from the Operating Account, with its own checking account. In FY20, eleven counties maintained an Agency Fund

# Program Fee Sub-fund

Dollars generated by “users” of fee-based programs. Fees for service are used to offset direct expenses of programs. Staff, volunteer and program driven.



## State Averages by County Population

Category A (77)	\$93,598	Under 30,000
Category B (13)	\$60,017	30,000-49,999
Category C (3)	\$82,308	50,000-89,999
Category D (5)	\$156,145	90,000-199,999
Category E (2)	\$154,380	200,000 & Up

Program fee revenue and expenses are usually greater when housing state program specialists. Can fee program revenues be used to pay wages/benefits?

# Grant/Contracts Sub-fund

Funds received from private and public sources. These restricted use funds require a separate accountability. Usually staff project/program drive



## State Averages by County Population

Category A (77)	\$25,521	Under 30,000
Category B (13)	\$60,789	30,000-49,999
Category C (3)	\$122,210	50,000-89,999
Category D (5)	\$165,847	90,000-199,999
Category E (2)	\$127,902	200,000 & Up

46 Districts	Do not house a state specialist
29 Districts	House 1 state specialist.
25 Districts	House more than 1 FTE

Can grant revenue pay for infrastructure needs, wages, benefits, travel, etc.?

# Donor Restricted Sub-fund

- Seldom used but available when a donor designates a purpose for the use of funds provided.
- Must be specific purpose, not part of normal operations and signed document with direction.



# Tort and Unemployment Sub-funds

- Districts qualify for the funding when \$ or mil rate caps are reached.
- Resources are restricted for use for in these expense lines including carryover.
- Expense lines can be negative at year end for these two sub-funds; if negative balance, levy funds in next cycle.
- Tort sub-fund covers General & Excess Liability, Auto, D&O, Professional, Background Checks, Accident Medical & Employee Dishonesty Bond.
- 71 Districts qualify (58 levied for Tort & 18 levied for unemployment in FY20).





# Carryover - Iowa Code Ch. 176A.8.13

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To carry over unexpended county agricultural extension education funds into the next year so funds will be available to carry on the programs until such time as moneys received from taxes are collected.

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However, the unencumbered funds in the county, in excess of one-half the amount expended from the fund in the previous year shall be paid over to the county treasurer.

# Amending Current Year Budget

The public hearing and [Budget Amendment Process](#) MUST be completed and filed before your expenses exceed the budget limit that was previously approved.

Districts have until May 31 of the current budget year to hold a public hearing and file the amended budget documents.

The hearing notice must be published 10-20 days before the date of the hearing.

In FY20, 11 districts amended their budgets.

# Notice of Public Hearing

Must be filed on or before May 31.

Follows public hearing process of notification 10-20 days prior to the hearing.

Local Government Valuation & Finance

Hello, Bryan Whaley

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Instructions Propose/Publish Return To Draft Adopt Amend Check Errors Save Print

NOTICE OF PUBLIC HEARING - AMENDMENT OF CURRENT BUDGET

JONES COUNTY AG EXTENSION  
Fiscal Year July 1, 2020 - June 30, 2021

The JONES COUNTY AG EXTENSION will conduct a PUBLIC HEARING for the purpose of amending the current budget for the fiscal year ending June 30, 2021  
Meeting Date: (entered upon publish) Meeting Time: (entered upon publish) Meeting Location:

Contact Name: Contact Telephone Number: (entered upon publish)

There will be no increase in taxes. Any residents or taxpayers will be heard for or against the proposed amendment at the time and place specified above. A detailed statement of: additional receipts, cash balances on hand at the close of the preceding fiscal year, and proposed disbursements, both past and anticipated, will be available at the hearing.

PROPOSED EXPENDITURE SUMMARY

EXPENDITURES	Total Budget as Certified or Last Amended	Amendment Increase	Total Budget After Current Amendment	Reason
County Agricultural Extension Education	415,100		415,100	
Unemployment Compensation	0		0	
Tort Liability	0		0	
<b>Total</b>	<b>415,100</b>	<b>0</b>	<b>415,100</b>	



## Budget Amendment Process

# Timeline for Annual Budget

## November – December

Develop draft budget

## January

IDOM entry,  
modify/accept estimate,  
set hearing date,  
publish 10-20 days before  
hearing

## February

Hold hearing,  
adopt budget online

## March 15

Finish filing  
documents with  
auditor

## May 31

Deadline to amend  
current fiscal year

[County Budget  
Timelines](#)

# Iowa Department of Management

om.iowa.gov/agricultural-ext-district

Home » Other Authorities

## Other Authorities

- [Ag Extension Districts](#)
- [Assessors](#)
- [Community Colleges](#)
- [County Hospital Boards](#)
- [DART](#)
- [Misc Districts](#)
- [Rural Improvement Zones](#)
- [Townships](#)
- [Tax History & C/I Replacement Payments](#)
- [GASB 77 Resources](#)
- [Other Authority Budget Appeals](#)

## Agricultural Extension District Resource Page

FY2020 Budgets and older may be found on the [old Local Government Financial Reporting System](#).  
Budgets and newer may be found on the [new Local Government Valuation and Finance System](#).

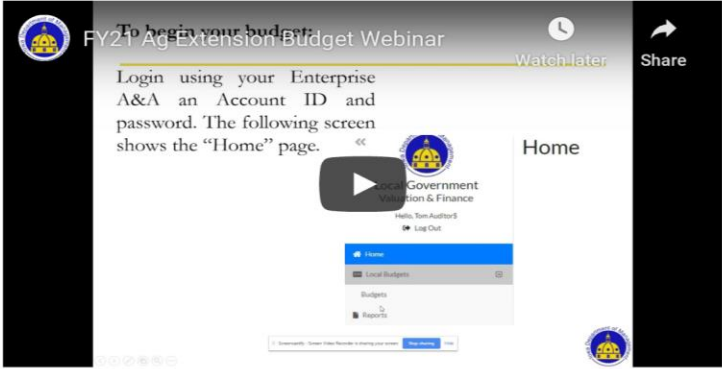
[Submit Budget](#)

[View Valuation Reports](#)

FY21 AG EXTENSION BUDGET WEBINAR

**To begin your budget:**

Login using your Enterprise A&A an Account ID and password. The following screen shows the "Home" page.



FORMS

[Miscellaneous Budget Amendment Form 653A](#)

# Iowa Code Budget Resources

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[Iowa Code 12C](#) - Deposit of Public Funds

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[Iowa Code Chapter 24](#) - Local Budgets

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[Iowa Code Chapter 21](#) - Open Meeting

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[Iowa Code Chapter 22](#) - Open Records

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[Iowa Code Chapter 562A](#) – Landlord and Tenant Law, for extension districts that rent.

THANK YOU

## Directors of Field Operations

Bryan Whaley

North Regions 1-12, 17

[bwhaley@iastate.edu](mailto:bwhaley@iastate.edu)

515-341-6967

Gene Mohling

South Regions 13-16, 18-27

[mohling@iastate.edu](mailto:mohling@iastate.edu)

319-337-2145

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