

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-1538/2	Introduction Number AB-1
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Subject Refunding public debt and health savings accounts

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input checked="" type="checkbox"/> Decrease Costs
<input checked="" type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	Most debt service appropriations

Agency/Prepared By DOA/ Dick Wagner (608) 266-0653	Authorized Signature Martha Kerner (608) 266-1359	Date 1/11/2005
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Fiscal Estimate Narratives

DOA 1/11/2005

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Subject Refunding public debt and health savings accounts		

Assumptions Used in Arriving at Fiscal Estimate

The bill increases the amount of authority by \$360,000,000 for the Building Commission to refund general obligation bonds. Total present value savings are estimated under current market conditions to be \$11 million. The allocation of the savings to particular debt service appropriations depends on which bond maturities are refunded.

The process of selecting debt to be refinanced does not occur until the refunding bonds are sold, and then the exact split of debt service appropriations with their fund source is determined. On average, about 80% of mixed use general obligations bonds are paid from GPR debt service appropriations, so approximately \$8.8 million of the present value savings will be GPR. The savings will be structured to occur in FY 05 and/or subsequent years.

Long-Range Fiscal Implications

Long term savings in the amount of debt paid.