Fiscal Estimate - 2005 Session

X	Original		Updated		Corrected		Supple	mental	
LRB	Number	05-1530/1		Introd	duction Nun	nber A	B-1 (J	R5)	
Subje Refund	ct ding public de	bt							
State:	No Local Gov Indeterminate 1. Increase Permiss 2. Decrease	Existing tions Existing tions ew Appropriation vernment Costs e e Costs sive Mandato se Costs	Reversible	ease Existing enues ease Existing enues ease Revenue hissive Marease Revenue	to al Dec 5.Type Gove adatory	ease Costs bsorb withir Yes rease Costs es of Local ernment Un Towns Counties	n agency s its Affect Village Others WTCS	's budget No ed Cities	
Permissive Mandatory Permissive Mandatory Districts Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRO SEG SEGS Most debt service appropriations									
Agen	cy/Prepared	Ву		Authorized S	Signature			Date	
DOA/	Dick Wagner	(608) 266-065	3	Martha Kerne	er (608) 266-13	59		1/12/2005	

Fiscal Estimate Narratives DOA 1/12/2005

LRB Number 05-1530/1	Introduction Number	AB-1 (JR5) Estimate Type	Original				
Subject							
Refunding public debt							

Assumptions Used in Arriving at Fiscal Estimate

The bill increases the amount of authority by \$360,000,000 for the Building Commision 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 amount of debt paid.