



## Fiscal Estimate Narratives

DOR 10/22/2007

LRB Number	07-1764/1	Introduction Number	SB-281	Estimate Type	Original
<b>Description</b> Reporting requirements related to general transportation aids to local governments					

### Assumptions Used in Arriving at Fiscal Estimate

#### CURRENT LAW

Under current law, counties and municipalities are required to file an annual financial report with the department of revenue (DOR) by a certain date. For municipalities with a population of 2,500 or less, the report is due by March 31. For counties and municipalities with a population of more than 2,500, the report is due by May 1.

Counties and municipalities with a population of 25,000 or more are also required to file with DOR an audited financial statement, commonly referred to as their "Comprehensive Annual Financial Report" (CAFR), by July 31. It is not uncommon for counties and municipalities to file revised financial report forms with DOR at the time they file their CAFR forms.

#### PROPOSED LAW

Under the proposal, the due dates for the annual financial report forms for municipalities and counties with a population of less than 25,000 would be the same as under current law.

For the 30 municipalities and 47 counties with a population of 25,000 or more, the deadline for filing their financial report form would be changed from May 1 to July 31, or the same deadline for their CAFR forms.

#### FISCAL EFFECT

By essentially allowing the annual financial report form and CAFR form to be filed at the same time, the affected entities would save postage and handling costs on one mailing per year. Based on an estimated of about \$2 for postage and handling for the report form, the bill will reduce local governmental costs by about \$150.

By allowing these financial report forms to be filed later in the year, audit staff may be able to complete the financial reports with fewer hours of overtime or seasonal staff time. DOR does not have information which would permit a reasonable estimate of the cost savings that could result.

#### ADMINISTRATIVE EFFECT

The bill would require DOR to make a minor change in its administrative procedures regarding financial report forms and require a minor change in the instructions for the report.

The bill has no effect on DOR costs.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> Reporting requirements related to general transportation aids to local governments			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$\$-150
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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