



## Fiscal Estimate Narratives

DOT 10/17/2007

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

### Assumptions Used in Arriving at Fiscal Estimate

Municipalities with a population of 25,000 or more are required to submit a Financial Report Form (Form A or D) with the Wisconsin Department of Revenue by May 1. The information is needed to determine eligibility for various grant and state aid programs. This bill would delay the initial filing deadline of the Financial Report Form used to calculate transportation aids until July 31 for 2 villages, 28 cities, and 47 counties. This fiscal estimate assumes that only those 77 municipalities and counties with a population 25,000 or more would be affected by this bill.

The affected municipalities and counties would still be subject to filing audited financial statements by July 31, often submitted in the form of a Comprehensive Annual Financial Report (CAFR). The Wisconsin Department of Revenue currently requires CPA firms working on behalf of municipalities and counties to note any changes to the Financial Report Form when filing their audited financial statements. Currently, some CPA firms use unaudited costs for the Financial Report Form submittal in May. If passed, this bill would give CPA firms additional time to incorporate audited numbers into the Financial Report Form.

There would be no state fiscal effect. Administrative costs at the Wisconsin Department of Transportation and the Wisconsin Department of Revenue would not change if this bill was passed.

The fiscal effect on affected municipalities and counties is indeterminate. It is possible that costs for these entities may decrease slightly, because CPA firms will not be required to file the Financial Report Forms in time for the May 1 deadline. This may result in less overtime and preparing some materials for the submittals once, instead of twice, thus reducing CPA costs to the client municipality or county. This impact is uncertain, and there is no data available to estimate the savings it may generate for the affected units of government.

DOR is preparing a separate fiscal estimate for this bill.

### Long-Range Fiscal Implications