

FISCAL NOTE

Bill #: SB0138

Title: Revise local government accounting laws

Primary

Sponsor: Linda Nelson

Status: Second Reading

Sponsor signature

Date

Chuck Swysgood, Budget Director

Date

Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Expenditures:		
General Fund	0	28,446
Revenue :	0	0
Net Impact on General Fund Balance:	\$0	(\$28,446)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. SB 138 requires approximately 750 special purpose districts to submit annual financial reports to the Department of Commerce that are prepared in a format published by the department using the Budgetary, Accounting and Reporting System for Montana Cities, Towns, and Counties Manual beginning in FY 2003. Beginning July 1, 2003, information from these special purpose district reports will be entered into the existing database, resulting in a significant increase in data input resource requirements. The department will design appropriate annual financial report formats for each type of special purpose district defined in the bill prior to June 30, 2003. The technical assistance and data input responsibilities will increase effective July 1, 2003. As a result, 1.00 FTE, grade 12, will be needed for the last six months of FY 2003, and 1.00 FTE, grade 9 data input position, will be needed beginning in the first year of the 2005 biennium.

The additional FTE will be provided with appropriate computer and other necessary equipment and supplies.

2. The revised financial reporting requirements for special purpose districts will be effective for the fiscal year ending June 30, 2003.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Department of Commerce (6501)		
FTE		0.50
<u>Expenditures:</u>		
Personal Services		14,806
Operating Expenses		<u>13,640</u>
TOTAL		28,446
<u>Funding:</u>		
General Fund (01)		28,446
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)		(\$28,446)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

There will be no effect on local government revenues and minimal, if any, effects on expenditures.