

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	59,500		61,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	59,500		61,000	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 1111 is the Fiscal Stress Management Act.

Section 1 provides definitions.

Section 4 requires the State Auditor to review the financial indicators of taxing authorities to determine if the conditions for a fiscal watch have been met.

Section 5 requires the Auditor to evaluate the review process to ensure that the existence of any of the financial indicators accurately reflect a state of fiscal stress. Before December 31, 2018 and before December 31, 2019, the Auditor shall submit to the Legislature a report on the evaluation of the review process.

Section 6 requires the Auditor, beginning in fiscal year 2020-21, to declare a taxing authority as being under the status of a fiscal watch if one of 5 listed criteria exist.

Section 8 requires the Auditor to develop guidelines for identifying fiscal practices and budgetary conditions of taxing authorities that, if uncorrected, could result in a future declaration of a fiscal watch.

The Auditor estimates the need to add 1.0 additional FTE to address the requirements of LB 1111. This estimate appears to be reasonable.

ADMINSTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 1111	AM:	AGENCY/POLT. SUB: Auditor of Public Accounts
REVIEWED BY: Lee Will	DATE: 01/29/2018	PHONE: (402) 471-4175
COMMENTS: The Auditor of Public Accounts' assessment of fiscal impact seems reasonable given the assumptions used.		

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 1111

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Auditor of Public Accounts

Prepared by: ⁽³⁾ Mary Avery Date Prepared: ⁽⁴⁾ 01/25/2018 Phone: ⁽⁵⁾ 402-471-3686

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>59,500</u>	<u> </u>	<u>61,000</u>	<u> </u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>59,500</u>	<u> </u>	<u>61,000</u>	<u> </u>

Explanation of Estimate:

LB 1111, as currently written, requires information to be filed with the Auditor of Public Accounts (APA) and an annual or biennial reviews of financial indicators of taxing authorities for financial stress through analysis of specific indicators spelled out in the LB. The APA shall develop the guidelines and fiscal practices and budgetary condition as well as carry out the duties of the Fiscal Stress Management Act. The first report to the Legislature is due by December 31, 2018, thus would require additional staff to begin upon successful passing of this LB. Additional staff is necessary to assist in accumulating and preparing this information on an ongoing basis.

One Staff-\$45,000, retirement-\$3370, FICA & Medicare-\$3375, and Health Insurance-\$7755.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Auditor	<u>1</u>	<u>1</u>	<u>45,000</u>	<u>46,000</u>
Benefits.....			<u>14,500</u>	<u>15,000</u>
Operating.....			<u> </u>	<u> </u>
Travel.....			<u> </u>	<u> </u>
Capital outlay.....			<u> </u>	<u> </u>
Aid.....			<u> </u>	<u> </u>
Capital improvements.....			<u> </u>	<u> </u>
TOTAL.....			<u>59,500</u>	<u>61,000</u>