

DEC 1 2 1990

(Return in triplicate) FISCAL NOTE

Bill/Resolution No.: SB 2070 Amendment to: _____

Requested by Legislative Council Date of Request: 12-7-90

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

This bill shifts the political subdivision funding for the state auditor's office from the general fund to a special fund. This reduces the revenues received by the state general fund but there is a corresponding reduction in the general fund appropriation.

Our state auditor's office budget request included about \$375,000 of general fund appropriation to finance non-auditing services mandated by law. These services include the review of private firm audit reports and working papers, review of small government reports prepared in lieu of an audit and other miscellaneous duties. The governor's budget has transferred these costs of \$375,000 from the general fund to the special fund. Then a net reduction of \$375,000 is projected for the general fund. These non-audit services should not be funded by the special fund as these costs do not benefit the political subdivisions audited by our office. Our office will introduce an amendment to the appropriation bill to fund the \$375,000 from the general fund.

(continued next page)

State Fiscal Effect:

<u>1991-92</u>		<u>1992-93</u>		<u>Biennium Total</u>	
<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>
	-0-		-0-		-0-

County and City Fiscal Effect:

<u>1991-92</u>		<u>1992-93</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Wayne Hokenson

Typed Name Wayne Hokenson

Date Prepared: 12/12/90

Department State Auditor

Phone Number 2241

Narrative - Bill/Resolution No. SB 2070

Page 2

December 12, 1990

The governor's budget recommends \$1,470,906 in special fund appropriation. With a reduction of \$375,000 to be funded by the general fund, this leaves a budget request of \$1,095,906 for the special fund. We will be reimbursed by charges for services for any of the \$1,095,906 expended. Since the political subdivisions are billed for the cost of the audit, revenues will equal expenditures and the fiscal impact to the state will be zero.