

FISCAL NOTE

HB 2022 - SB 2089

March 30, 2005

SUMMARY OF BILL: Enacts the "County Financial Management Act of 2005" which authorizes certain counties to establish a centralized system of accounting, budgeting, purchasing, and cash management. The act would be permissive for certain counties until July 1, 2012 and become mandatory thereafter.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures:

**Exceeds \$100,000 One-Time/Permissive until July 1, 2012 after
which it would be mandatory**

**Exceeds \$100,000 Recurring/Permissive until July 1, 2012 after
which it would be mandatory**

**Decrease Local Govt. Expenditures – Exceeds \$100,000 Recurring/
Permissive until July 1, 2012 after which it would be mandatory**

Other Fiscal Impact – To the extent that local governments choose to adopt such provisions or are required to beginning July 1, 2012, there would be a shift within local governments of appropriations from the County General Fund, Highway Fund, and General Purpose School Fund to the County Finance Department.

Assumptions:

- There would be a one-time increase in local govt. expenditures exceeding \$100,000 state-wide to implement the provisions of the act. Such expenditures would be permissive until July 1, 2012.
- There would be a recurring increase in local government expenditures exceeding \$100,000 state-wide to employ the required director of the county finance department. Such expenditures would be permissive until July 1, 2012.
- There would be a recurring decrease in local government expenditures exceeding \$100,000 state-wide due to the consolidation of accounting, budgeting, purchasing, and cash management. Such a decrease would be permissive until July 1, 2012.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director