

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2017-18</b>		<b>FY 2018-19</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB510 would place a limitation of \$25,000,000 on the level of outstanding installment contracts that would be authorized as obligations of any political subdivision of the state to finance the purchase of real or personal property. To the extent political subdivisions have total outstanding installment contract obligations exceeding \$25,000,000 at the time LB510 would become effective, the related entities would be precluded from entering into any new installment contracts until such time outstanding installment contract obligations are reduced below \$25,000,000. Impacts of this limitation on utilizing installment contracts as a financing mechanism would vary by political subdivision and would depend upon the extent to which political subdivisions are currently obligated by installment contracts at levels approaching or in excess of \$25,000,000.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 510	AM:	AGENCY/POLT. SUB: Lancaster County	
REVIEWED BY: Lyn Heaton	DATE: 3/6/2017	PHONE: <a href="tel:4024714181">(402) 471-4181</a>	
<p>COMMENTS: The fiscal note from Lancaster County indicates they interpret that office space leases would be considered "purchase of real or personal property" under the provisions of the bill. If the Lincoln-Lancaster County Public Building Commission is purchasing real estate over time using the lease revenue from Lancaster County to pay the cost of the purchase, then it could limit Lancaster County's ability to lease space from the Commission. However, if the Public Building Commission already owns the real property, we do not believe the lease of the office space to Lancaster County would represent purchase of real property.</p>			

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

**2017**

**LB<sup>(1)</sup> 510**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Lancaster County

Prepared by: <sup>(3)</sup> Dennis Meyer Date Prepared: <sup>(4)</sup> 1-24-17 Phone: <sup>(5)</sup> 402-441-6869

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

This bill would put an end to how the Lincoln-Lancaster County Public Building Commission (PBC) has operated over the years. Lancaster County and the City of Lincoln leases office space from the PBC and as of June 30, 2016, the lease balance was \$37.9 million. The definition of installment contracts could come into play for Lancaster County also. If construction contracts meet the definition, construction could be slowed or stopped at times.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____