

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6368

BILL NUMBER: HB 1026

DATE PREPARED: Nov 14, 2001

BILL AMENDED:

SUBJECT: Township General Fund and Fire Fund.

FISCAL ANALYST: Bob Sigalow

PHONE NUMBER: 232-9859

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill permits St. John Township, Lake County, to: (1) transfer up to \$86,317 from its General Fund to its Fire Fund before December 31, 2002; and (2) for 2002 taxes payable in 2003, increase its Fire Fund maximum permissible levy and decrease its General Fund maximum permissible levy by \$110,000.

Effective Date: Upon passage.

Explanation of State Expenditures: The state's expense for Property Tax Replacement Credits (PTRC) would not be affected by this bill.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: The transfer of \$86,317 from the cash balance of St. John Township's General Fund to its Fire Fund would have no overall impact. The only difference is that the township would be able to spend this money on any allowable fire expenditure rather than on a non-fire expenditure.

This bill allows the township to shift \$110,000 from its General Fund maximum levy to its Fire Fund maximum levy in CY 2003. The recalculated maximum levies would be the basis for future maximum levy calculations so the \$110,000 shift would be permanent. Again, this provision would have no overall impact. It transfers levy authority from one fund to another. The only difference is that the township would be able to spend this \$110,000 of property tax money (if it levies the entire maximum levy) on any allowable fire expenditure rather than on a non-fire expenditure. St. John Township's 2001 General Fund maximum levy was \$660,363 and its Fire Fund maximum levy was \$207,670.

State Agencies Affected: State Board of Tax Commissioners (Department of Local Government Finance).

Local Agencies Affected: St. John Township, Lake County.

Information Sources: Local Government Database.